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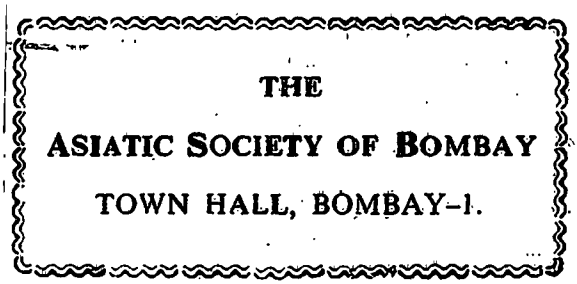

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REPORT

OF THE

BOMBAY CHAMBER OF COMMERCE

FOR THE

133542

YEAR 1871-72.

PRESENTED TO THE ANNUAL GENERAL MEETING
HELD ON THE 8TH OCTOER 1872.

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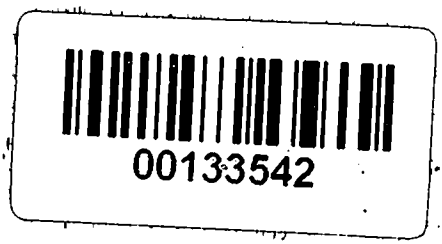
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CONTENTS.

Page

Members, &c., of the Chamber
Rules and Regulations of the Chamber I
Ship Tonnage Scale at Bombay V
Steamer Tonnage Scale IX
List of Landing Charges ... ... XIIa
Rules and Regulations for Measurement by Callipers upon Exports from Bombay of Cotton, Wool, and other Pressed Bales. XIII
General Rates of Commission XV
Ship Freight Inwards XVIII
General Meetings in 1871-72 XIX

ANNUAL REPORT OF THE COMMITTEE—

A Port Trust for Bombay and the Improvement of the Elphinstone Estate 1
Decimal Sub-Division of the Rupee 4
The Silk Trade and Sericulture in Western India 5
High Tariff Valuation on Punjum Silk 6
Marine Courts of Inquiry 7
Amendment of the Native Passengers' Ships Act 8
The New Light-House on the S. W. Prongs 9
Suez Canal: Standard of Tonnage on which the Dues of the Company should be collected 10
Revised Values of the Inward and Outward Foreign Trade of India 12
Form of Bill of Lading for Steamers between Bombay and Liverpool, via Suez Canal 12
Repeal of the Cotton Frauds Act 14
Thefts of Cotton Bales in the Harbour, and substitution of Bales of Rubbish in order to prevent detection 15
Transit Duty on Cotton under the New Municipal Bill ... 15
Improvement in Cotton Cultivation 16
Frauds in Wool... 17
The Chamber Scheme for the Measurement of Bales and Cases. 18
The New Mail Arrangements 18
The Pattern Post from India to the Continental States of Europe 20

Page

The Proposed Railway from Carwar to Gudduck 22
Rajpootana Railway Projects—Proposed Extension of a Line from Ahmedabad to Deesa 23
Importation of Brandy and other Spirits from Damaun into British Territory 24
Notification regarding Receipt of Currency Notes at the Custom House 25
Gums and Resinous Products of India 26
A Revised Tonnage Scale for Steamers and Tariff of Rates for Landing Cargo 26
Miscellaneous 27

CONTENTS OF APPENDICES.

A.—PORT TRUST FOR BOMBAY AND THE IMPROVEMENT OF THE ELPHINSTONE ESTATE.

Page

From Secretary to Chamber of Commerce to Secretary to Government, Public Works Department, dated 25th October 1871 29

From the Secretary to Government, Public Works Department, to Secretary to Chamber of Commerce, dated 8th December 1871 30

From Secretary to Chamber of Commerce to Secretary to Government of India, P. W. D., Calcutta, dated 18th January 1872 31

From Chairman and Secretary to Chamber of Commerce to His Excellency the Right Hon'ble Lord Mayo, K.G., G.C.S.I., Viceroy and Governor-General of India in Council, dated 18th January 1872 31

Extract of Proceedings at a Meeting of the Merchants of Bombay held at the offices of the Bombay Chamber of Commerce, dated 10th January 1872 33

From Secretary to Chamber of Commerce to Secretary to Government, P. W. D., dated 18th January 1872 34

From Secretary to Chamber of Commerce to Secretary to Government, P. W. D., dated 13th March 1872 35

From Secretary to Government of India, P. W. D., to Secretary to Bombay Chamber of Commerce, dated 6th March 1872 35

From Secretary to Government, P. W. D., to Secretary to Chamber of Commerce, dated 28th March 1872 35

Bombay Port Trust—

From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 1st February 1869 ... 36

From Secretary to Government of India, P. W. D., to Secretary to Government of Bombay, dated 15th June 1869 38

Proposed terms for the purchase by Government of the Estate and Rights of the Elphinstone Land Company at Bombay ... 41

From Secretary to Government of Bombay, P. W. D,, to Secretary to Government of India, dated 28th July 1869 ... 13

From Acting Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 3rd May 1870 ... 15

Page

From Acting Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 21st June 1870... 45
Extract from Report of Chief Engineer, Elphinstone Land and Press Company, to the Directors, dated 10th August 1869 ... 52
From Secretary to Government of India, P. W. D., to Secretary to Government of Bombay, dated 1st April 1871 53
From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 30th May 1871 58
From Secretary to Government of India, Financial Department, to Secretary to Government of Bombay, P. W. D., dated 8th September 1871 69
From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 21st October 1871 ... 79
From Secretary to Government of India, P. W. D., to Secretary to Government of Bombay, dated 7th November 1871 ... 87
From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 29th November 1871 ... 89
From Secretary to Government of India, P. W. D., to Secretary to Government of Bombay, dated 22nd January 1872 ... 93
From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 17th February 1872 ... 95
From Secretary to Government of India, P. W. D., to Secretary to Government of Bombay, dated 5th March 1872 ... 99
From Secretary to Government of Bombay, P. W. D., to Secretary to Government of India, dated 16th March 1872 ... 100
From Secretary to Chamber of Commerce to Colonel A. Fraser, C.B., R.E., on special duty with the Viceroy and Governor-General *elect*, Bombay; dated 24th April 1872 101
From Secretary to Chamber of Commerce to Secretary to Government of Bombay, P. W. D., dated 1st May 1872 ... 105
From Secretary to Government of Bombay, P. W. D., to Secretary to Chamber of Commerce, dated 6th May 1872 ... 106
Report to the Members of Chamber of Commerce by Committee of Management on Proposed Port Trust, &c., dated 13th May 1872 106
Questions by Col. Fraser, R.E., C.B., as to Deep Water Berthage for Ships and Steamers in Bombay and Answers thereto by Mr. Ormiston, C. E. 109
From Secretary to Bombay Chamber of Commerce, to Secretary to Government of Bombay, P. W. D., dated 15th June 1872 126
Memorandum by Colonel Alexander Fraser, R.E., C.B., on Mr.

Page
Ormiston's scheme for Deep Water Berthage for Ships and Steamers in Bombay 132a
Memorandum of the Chairman of the Chamber on Registered Tonnage of the Port of Bombay for year ending 31st March 1872 ... ...132m

B.—DECIMAL SUB-DIVISION OF THE RUPEE.

From Chief Secretary to Government to Secretary to Chamber of Commerce, dated 30th August 1871 133
From Under-Secretary to Government of India, to Secretary to Government of Bombay, dated 12th August 1871 133
From Secretary to Bombay Chamber of Commerce, to Acting Chief Secretary to Government of Bombay, dated 5th December 1871 134
Minutes by Members of Bombay Chamber of Commerce on Proposed Decimal Sub-Division of the Rupee—
Minute of Mr. W. G. Hall, of Messrs. W. Nicol & Co. ... 136
Minute of Mr. Robert Campbell, Agent, Chartered Mercantile Bank of India, London, and China 137
Minute of Mr. James Douglas, Agent, Chartered Bank of India, Australia, and China 139
Minute of Mr. F. T. Atkins, Manager, Agra Bank, Limited ... 141
Minute of Mr. James N. Graham, of Messrs. W. and A. Graham & Co. 142
Minute of Mr. W. F. Peel, of Messrs. Peel, Cassels & Co. ... 143
Minute of Mr. H. D. Dods, of Messrs. Hutchison, Dods & Co. 143
Minute of Mr. Thomas Wilson, of Messrs. Rennie, Scovell & Co. 144
Minute of Mr. B. Beynon, of Messrs. Blascheck & Co. ... 145
Minute of Mr. S. J. Behrend, of Messrs. Behrend Brothers ... 146

C.—THE INDIAN SILK TRADE AND SERICULTURE IN WESTERN INDIA.

From Under-Secretary to Government of India, Department of Agriculture, &c., to Secretary to Chamber of Commerce, dated 16th October 1871 147
From Secretary to Chamber of Commerce, to Secretary to Government of India, dated 28th December 1871 149
Extract from Report of the Chamber for 1845-46 150
From Officiating Under-Secretary to Government of India, Department of Agriculture, to Secretary to Chamber of Commerce, dated 20th January 1872 152

Page

Extract from the Proceedings of the Government of India, in the Department of Agriculture, Revenue, and Commerce ... 152
From Secretary to Chamber of Commerce to Secretary to Government of India, Department of Agriculture, Revenue, and Commerce, dated 16th September 1872 154

D.—HIGH TARIFF VALUATION OF PUNJUM SILK.

From Secretary to Chamber of Commerce to Acting Chief Secretary to Government, Revenue Department, Bombay, dated 26th August 1872 156
From Acting Chief Secretary to Government of Bombay, Revenue Department, to Secretary to Chamber of Commerce, dated 4th October 1872 157

E.—MARINE COURTS OF ENQUIRY.

From Secretary to Government of Bombay, Marine Department, to Secretary to Chamber of Commerce, dated 13th January 1872 158
From Deputy Secretary to Government of India, Marine Department, to Secretary to Government of Bombay, Marine Department, dated 21st December 1871 158
From Secretary to Government of Bombay, Marine Department, to Secretary to Chamber of Commerce, dated 16th April 1872 159
From Secretary to Chamber of Commerce, to Secretary to Government of Bombay, Marine Department, dated 21st February 1872 159
From Secretary to Chamber of Commerce to Under-Secretary to Government of Bombay, dated 11th May 1868 ... 160
From Assistant Master Attendant and Conservator of the Port of Bombay, to Secretary to Government of Bombay, Marine Department, dated 23rd February 1872 161
Opinion by Advocate-General on Courts of Enquiry into Wrecks 162
From Senior Magistrate of Police to Major-General W. F. Marriott, C.S.I., Secretary to Government of Bombay, Marine Department, dated 5th March 1872 163
From Superintendent of Marine to Secretary to Government of Bombay, dated 28th March 1872 164
From Vice-Chairman, Chamber of Commerce, Madras, to Chairman Chamber of Commerce, Bombay, dated 22nd July 1872, 164

Page

From Secretary to Chamber of Commerce, Bombay, to Secretary to Chamber of Commerce, Madras, dated 31st July 1872. 165

F.—AMENDMENT OF THE NATIVE PASSENGERS' SHIPS' ACT.

From Acting Chief Secretary to Government, General Department, to Secretary to Chamber of Commerce, dated 18th January 1872 166

From Secretary to Chamber of Commerce to Acting Chief Secretary to Government, dated 7th February 1872 ... 166

From Officiating Secretary to Council of Governor-General for making Laws and Regulations to Secretary to Chamber of Commerce, dated 23rd March 1872 168

From Secretary to Chamber of Commerce to Officiating Secretary to Council of Governor-General for making Laws and Regulations, dated 6th April 1872 169

G.—THE NEW LIGHT-HOUSE ON THE S. W. PRONGS.

From Superintendent, P. and O. S. N. Company, Bombay, to Secretary to Chamber of Commerce, dated 10th October 1871 170

Petition of Commanders of Vessels to His Excellency Sir W. R. S. V. Fitzgerald, K.C.S.I., Governor of Bombay ... 170

From Secretary to Chamber of Commerce to Secretary to Government, P. W. D, dated 16th October 1871 172

From Secretary to Government, P. W. D., to Secretary to Chamber of Commerce, dated 22nd November 1871 ... 173

From Secretary to Government, P. W. D., to Superintendent, P. and O. S. N. Company, dated 21st November 1871 ... 174

H.—SUEZ CANAL: STANDARD OF TONNAGE ON WHICH DUES OF THE COMPANY SHOULD BE COLLECTED.

From F. Lesseps, Esq., to President of Chamber of Commerce, dated Paris, 9th September 1871 184

From Secretary to Chamber of Commerce, to Monsieur de Baron de Lesseps, Le President, Suez Canal Company de Paris, dated 4th December 1871 186

I.—REVISED VALUES FOR EXPORTS AND IMPORTS.

Letter from Government of India, dated 15th November 1871, and Resolution 189

Page
Circular from Secretary to Government of India to Secretary to Government of Bombay, dated 15th November 1871 ... 189
From Acting Under-Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, dated 20th July 1872 191
From Secretary to Chamber of Commerce to Commissioner of Customs, Bombay, dated 3rd August 1872 191

J.—FORM OF BILL OF LADING FOR STEAMERS BETWEEN BOMBAY AND LIVERPOOL VIA SUEZ CANAL.

Circular Letter from Chairman of the Committee, to the Importers and Exporters of Merchandise trading with India, the Straits, China, and Japan, dated London, 20th January 1872 193
From Chairman of the Committee of Merchants trading with the East, to Chairman of the Chamber of Commerce, Bombay, dated London, 18th June 1872 194
Report of the Committee of Merchants trading with the East appointed to consider and amend the conditions of Bills of Lading by Steam-ships passing through the Suez Canal .. 195
Eastern Trade Bill of Lading Inwards, No. 4—via Suez Canal. 206
Report from the Committee of Management to the Members of the Bombay Chamber of Commerce, on a form of Bill of Lading for Steam-ships between Bombay and Liverpool passing through the Suez Canal 207
Resolution passed at a Special General Meeting of the Bombay Chamber of Commerce, held 28th August 1872, on a form of Bill of Lading from Bombay to Liverpool via Suez Canal ... 209
Eastern Trade Bill of Lading Inwards to Liverpool, via Suez Canal 210
From Secretary to Chamber of Commerce, Bombay, to J. MacAndrew, Esq., Chairman of the Committee of Merchants trading with the East, dated 5th September 1872 211

K.—THE COTTON FRAUDS ACT AND ADMINISTRATION OF COTTON DEPARTMENT.

From Secretary to Chamber of Commerce, Bombay, to Chief Secretary to Government of Bombay, dated 17th October 1871 213
From Acting Chief Secretary to Government, Revenue Department, Bombay, to the Secretary to Chamber of Commerce, dated 15th November 1872 214

Page

From Secretary to Chamber of Commerce, to Acting Chief Secretary to Government, Bombay, dated 23rd November 1871... 214
From Under-Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, dated 22nd December 1871 214
From Officiating Inspector-in-Chief, Cotton Department, to Acting Chief Secretary to Government, dated 15th December 1871 215
From Secretary to Chamber of Commerce, Bombay, to Acting Chief Secretary to Government, Revenue Department, dated 26th December 1871 215
From Acting Chief Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, dated 18th January 1872 216
Letter from Officer in Charge of Offices of Inspector-in-Chief, Cotton Department and Cotton Commissioner, dated 29th July 1871, and Memorandum from the Acting Cotton Commissioner and Inspector-in-Chief, Cotton Department, dated 21st November 1871 216
From Officer in Charge of Offices of Inspector-in-Chief and Cotton Commissioner, to Chief Secretary to Government, dated 29th July 1871 218
Memorial from the Chamber of Commerce, Bombay 237
From Acting Chief Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, Bombay, dated 15th May 1872... 240
From Secretary to Chamber of Commerce to Acting Chief Secretary to Government, Revenue Department, dated 3rd August 1872 240
From Acting Chief Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, Bombay, dated 9th August 1872 241

L.—THEFTS OF COTTON BALES IN THE HARBOUR.

From Secretary to Chamber of Commerce to Members of Chamber of Commerce, dated 13th June 1872 242
From Messrs. Volkart Brothers to Secretary to Chamber of Commerce, dated 22nd June 1872 243
From Messrs. Volkart Brothers, to the Chairman, Bombay Chamber of Commerce, dated 16th July 1872 243
From Secretary to Chamber of Commerce, to the Guarantors

Page
for defraying the cost of the late prosecution, &c., dated 20th July 1872 243
From Secretary to Chamber of Commerce, to Messrs. Volkart Brothers, dated 5th August 1872... 244
From Messrs. Volkart Brothers to Secretary to Chamber of Commerce, dated 6th August 1872 245

M.—PROPOSED TRANSIT DUTY ON COTTON UNDER THE NEW MUNICIPAL BILL.

From Secretary Chamber of Commerce, to Acting Chief Secretary to Government, dated 4th September 1872 ... 246
From Secretary to the Chamber of Commerce, to the Secretary to the Council of His Excellency the Governor of Bombay, dated 12th October 1872 247
The Government of India on Municipal Taxation 250

N.—IMPROVEMENT OF COTTON CULTIVATION.

From Cotton Commissioner to Secretary to the Chamber of Commerce, dated 30th December 1871 257
From Secretary to the Chamber of Commerce to the Cotton Commissioner, dated 25th, January 1872 257
From Officiating Commissioner of Cotton and Commerce to Secretary to Chamber of Commerce, dated 13th May 1872 ... 258
From Secretary Chamber of Commerce to Officiating Commissioner of Cotton and Commerce, dated 10th June 1872 ... 258
From Officiating Commissioner of Cotton and Commerce to Secretary of Chamber of Commerce, dated 24th May 1872 ... 259
From Secretary to Chamber of Commerce to Officiating Commissioner of Cotton and Commerce, dated 10th June 1872 ... 259
Report on Samples of Cotton grown in Nicobar Islands, under date 24th May 1872 260

O.—FRAUDS IN WOOL.

From Depy. Commissioner of Customs, Salt and Opium, P. D., to Commissioner of Customs, Bombay, dated 25th Oct. 1871. 261
Copy of above forwarded to Secretary to the Chamber of Commerce, dated 27th October 1871 262
From Secretary to Chamber of Commerce to Commissioner of Customs, Bombay, dated 1st November 1871 262

P.—THE NEW MAIL ARRANGEMENTS.

Page

From Secretary to Chamber of Commerce, to Officiating Director General of the Post Offices of India, dated 13th December 1871 263

From Officiating Director General of Post Offices of India to the Secretary to the Chamber of Commerce, Bombay, dated Nagpore, 26th December 1871 265

From Secretary to Chamber of Commerce to Offg, Director General of Post Offices of India, on Tour, dated 30th Dec, 1871... 268

From Officiating Director General of Post Offices of India to Secretary to Chamber of Commerce, dated Calcutta, 8th January 1872 271

From Secretary to Chamber of Commerce to Officiating Director General of the Post Offices of India, dated 23rd January 1872 274

From Secretary to Chamber of Commerce, to Director General of the Post Offices of India, dated 25th January 1872 ... 278

From A. M. Monteath, Esq., to Secretary to Chamber of Commerce, dated 27th January 1872 279

Special Meeting of Committee of Bombay Chamber of Commerce, &c. 279

From Director General of the Post Offices of India, to Secretary Chamber of Commerce, dated 16th Febuary 1872 ... 284

Extract from a letter from Chairman of the Chamber of Commerce, Madras, to Director General of Post Offices of India, dated 7th February 1872 284

From Secretary to Chamber of Commerce, to Director General of the Indian Post Offices, dated 22nd Feb. 1872 286

From Secretary to Chamber of Commerce to Director General of the Post Offices of India, dated 20th February 1872 ... 287

Memorial of Members of Bombay Chamber of Commerce to the Port Master General, London 287

From Director General of Post Offices of India to Secretary General Post Office, London, dated Calcutta, 21st March 1872. 290

Copy of foregoing forwarded to Secretary Bombay Chamber of Commerce 291

From Director General of the Post Offices of India to Secretary to Chamber of Commerce, dated 21st March 1872 ... 291

From C. A. Stuart, Esq., Post Master, to Deputy Director General of Post Office in India, dated 5th March 1872 ... 292

From C. A. Stuart, Esq., Post Master, to Post Master General Bombay, dated 19th February 1872 293

Page
From Secretary to Chamber of Commerce to Director General of Post Offices of India, dated 8th April 1872 294
From Officiating Post Master General to Secretary to Chamber of Commerce, dated 9th March 1872 294
From Secretary to Chamber of Commerce to Post Master General, Bombay, dated 23rd March 1872.. 295
From Officiating Post Master General to Secretary to Chamber of Commerce, dated 17th April 1872 295
From C. A. Stuart, Esq., Post Master, to Post Master General, Bombay, dated 13th April 1872 295
From Secretary to Chamber of Commerce to Post Master General, Bombay, dated 27th April 1872 297
From C. A Stuart, Esq., Post Master, to Post Master General, Bombay 297
From Officiating Post Master General to Secretary to Chamber of Commerce, dated 22nd May 1872 298
From Director General of the Post Offices of India to Secretary to Chamber of Commerce, dated Simla, 5th June 1872... 298
From Secretary to H. M.'s Postmaster General, dated London, 1st May 1872 298

Q.—EXTENSION OF THE PATTERN POST TO VARIOUS STATES IN EUROPE.

From Secretary to Chamber of Commerce to Post Master General, Bombay, dated 15th June 1872. 300
From Officiating Post Master General to Secretary to Chamber of Commerce, dated 28th June 1872. 300
From Officiating Post Master General to Secretary to Chamber of Commerce, dated 25th September 1872... 301
From the Director General of the Post Offices of India to Officiating Post Master General, Bombay, dated 18th Sept. 1872. 301

R.—PROPOSED RAILWAY FROM CARWAR TO GUDDUCK.

From Secretary to Bombay Government Railway Department to Secretary to Government of India, dated 21st November 1871 303
From Under-Secretary to the Government of India, Public Works Department, Railway, to His Grace the Duke of Argyll, Kt., Secretary of State for India, dated 25th April 1872 306

Page

From Secretary to Chamber of Commerce to Secretary to Government, Public Works Department, Bombay, dated 29th July 1872 309
From Secretary to Chamber of Commerce to Herman Merivale, Esq., C. B., D. C. L., Under-Secretary of State for India, Whitehall, S. W., London, dated 2nd August 1872... ... 310
Memorial of Members of Bombay Chamber of Commerce to His Grace the Duke of Argyll, Kt., H. M.'s Principal Secretary of State for India in Council 311
Extract from the Proceedings of Government, in the Railway Department, dated 14th October 1872 316
From His Grace the Duke of Argyll to H. E. the Governor-General of India in Council, dated 14th August 1872... ... 317

S.—RAJPOOTANA RAILWAY PROJECTS: EXTENSION FROM AHMEDABAD TO AJMERE.

Extract from the Proceedings of Government in the Railway Department, dated 13th February 1872.... 325

T.—IMPORTATION OF BRANDY AND OTHER SPIRITS FROM DAMAUN INTO BRITISH TERRITORY.

From Secretary to Chamber of Commerce to Acting Chief Secretary to Government, Bombay, dated 16th April 1872 ... 327
From Acting Chief Secretary to Government to Secretary to Chamber of Commerce, dated 25th April 1872 327

U.—NOTIFICATION REGARDING THE RECEIPT OF CURRENCY NOTES AT THE CUSTOM HOUSE.

From Acting Deputy Commissioner of Customs to Secretary Chamber of Commerce, dated 21st March 1872 328
From Secretary to Chamber of Commerce, to Acting Chief Secretary to Government, Bombay, dated 8th April 1872 ... 329
From Acting Under-Secretary to Government, Financial Department, to Secretary Chamber of Commerce, dated 26th April 1872 329
From Secretary to Chamber of Commerce to Secretary to Government, Financial Department, Bombay, dated 3rd May 1872 330
From Deputy Commissioner of Customs, P. D., to Secretary to Chamber of Commerce, dated 3rd August 1872 330

V.—GUMS AND RESINOUS PRODUCTS OF INDIA.

Page

From Under-Secretary to Government of India to the Secretary to Chamber of Commerce, dated 7th November 1872 ... 331
From Secretary to Chamber of Commerce to Secretary to Government of India, Department of Agriculture, Revenue, and Commerce, dated 3rd February 1872 331
From Officiating Deputy Commissioner to Secretary to Chamber of Commerce, dated Mundla, 26th March 1872 ... 332
From Personal Assistant to the Chief Commisioner, Oudh, Revenue Department, to the Secretary to Chamber of Commerce, dated Lucknow, 13th May 1872 332
From Asst. Conservator in Charge, N. W. P., to Secretary to Chamber of Commerce, dated Nynee Tal, 28th June 1872 ... 332
From Officiating Deputy Conservator of Forests, Berar, to Secretary to Chamber of Commerce, dated Chickulda, 20th July 1872 333
From Officiating Personal Assistant to Conservator of Forests, British Burmah, to Secretary to Chamber of Commerce, dated Rangoon, 13th August 1872 334

W.—REVISED TONNAGE SCALE FOR STEAMERS AND TARIFF OF RATES FOR LANDING CARGO.

Report from the Committee appointed to consider the questions of a Scale of Landing Charges and of a Tonnage Scale for Steamers, submitted at the Annual General Meeting held on 8th October 1872 335

Y.—MISCELLANEOUS.

I.—Aden Trade Report, 1871-72—
From Acting Secretary to Government, Political Department, to Secretary to Chamber of Commerce, dated 6th November 1871 338
From C. W. Tremenheere, Major General, Political Resident, Aden, to Secretary to Government, dated Aden, 8th June 1871... 338
Harbour Department 338
Trade Returns 339
From Sorabjee Pestonjee, Esq., Registrar of Trade, Aden, to First Assistant Resident in charge Customs, Aden, dated 10th May 1871 342

Page

II.—Muskat Trade Report, 1871-72—
Report on Trade of Muskat by Major Ross, Political Agent and Consul 351
A.—Table showing average Tonnage of Vessels entering and leaving Port of Muskat during twelve months ... 354
B.—Exports—Average Annual Quantity and Value ... 354
C.—Imports—Average of Former years 355
Total of Imports 356
D.—Contrasted Statement showing the numbers of Vessels entering and leaving Port of Muskat 357

III.—Cultivation of Opium in Szechuen, China—
From Acting Under-Secretary to Government, Revenue Department, to Secretary to Chamber of Commerce, dated 13th July 1872 357
From G. W. Caine, Esq., Consul, to Secretary to Government of India, Financial Department, Calcutta, dated 23rd March 1872 358
Copy of foregoing forwarded to Government of Bombay and to Agent Governor General Central India 363

IV.—The Assassination of Lord Mayo—
From W. G. Hall, Esq., Chairman, to H. E. Sir Seymour Fitzgerald, Governor of Bombay, dated 15th Feb. 1872 ... 363
From Private Secretary to H. E. the Governor of Bombay, to Chairman Chamber of Commerce, dated 2nd March 1872. 364

V.—Brooks Orphan Fund—
From Secretary to Chamber of Commerce to Members of Chamber of Commerce, dated 30th April 1872 364
From Members of Chamber of Commerce to Secretary to Chamber of Commerce, dated 24th April 1872 365
List of Subscriptiou to a Fund for Education and Maintenance of Orphan Children of the late Secretary to Chamber of Commerce 366
From Secretary to Chamber of Commerce to H. G. Lawson, Esq., dated 29th July 1872 367
Funds of Bombay Chamber of Commerce for 1871-72 ... 368

Bombay Chamber of Commerce.

ESTABLISHED 22nd SEPTEMBER 1836.

List of Members.

Messrs. ALDRIDGE, SALMON & Co.
" ALSEN, RIEBE & Co.
" ANTROBUS & Co.
" BEHREND BROTHERS.
" BELL, BRANDENBURG & Co.
" CAMPBELL, MITCHELL & Co.
" CLASON (H.) & Co.
" DODS (HENRY) & Co.
" EWART, LATHAM & Co.
" FINLAY, MUIR & Co.
" FINLAY, SCOTT & Co.
" FORBES & Co.
" FRAMJEE, SANDS & Co.
" GADDUM & Co.
" GRAHAM (W. & A.) & Co.
" GREAVES, COTTON & Co.
" GRENDON, TIPPET & Co.
" KILLICK, NIXON & Co.
" KING & Co.
" KNOOP & Co.
" KUNKLER, PREISWERCK & Co.
" LAWRENCE & Co.
" LOCKHART (GEORGE) & Co.
" LYON & Co.
" MACDONALD (C.) & Co.
" MUNRO, NEWSOM & Co.
Messrs. NICOL (W.) & Co.
" PERL, CASSELS & Co.
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" RITCHIE, STEUART & Co.
" SASSOON (D.) & Co.
" SIEGFRIED (JULES) & Co.
" SOUTHERN (R. L.) & Co.
" STEARNS, HOBART & Co.
" VOLKART BROTHERS.
" WALLACE & Co.
" WATSON, BOGLE & Co.
Mr. JAMES BOGIE.
AUSTRIAN TRADING COMPANY.
THE LONDON, ASIATIC, AND AMERICAN COMPANY, LIMITED.
THE P. & O. S. N. COMPANY.
THE AGRA BANK, LIMITED.
THE CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.
THE CHARTERED MERCANTILE BANK OF INDIA, LONDON, AND CHINA.
THE COMPTOIR D'ESCOMPTE DE PARIS.
THE HONGKONG AND SHANGHAI BANKING CORPORATION.
THE NATIONAL BANK OF INDIA.
THE ORIENTAL BANK CORPORATION.

RETIRING COMMITTEE.

Hon'ble J. K. BYRTELL, *Chairman.*
Captain G. F. HENRY, *Deputy Chairman.*

Mr. JAMES MACALISTER
Hon'ble J. A. FORBES
Mr. JAMES DOUGLAS
" THOMAS WILSON
" R. E. BICKERDIKE
} *Members.*

COMMITTEE FOR 1872-73.

Hon'ble J. K. BYTHELL, *Chairman.*
JAMES MACALISTER, Esq., *Deputy Chairman.*

Hon'ble J. A. FORBES
Mr. R. E. BICKERDIKE
" E. LORD
" ROBT. CAMPBELL
" SORABJEE FRAMJEE PATEL
} *Members.*

JAMES TAYLOR, *Secretary.*
MUCKONDROW BHAWOO, *Head Clerk.*

RULES AND REGULATIONS

OF THE

Bombay Chamber of Commerce.

Revised and adopted at a General Meeting held on 1st December, 1864.

I. THAT the object and duties of the Chamber shall be to encourage a friendly feeling and unanimity among commercial men on all subjects involving their common good; to promote and protect the general mercantile interests of this Presidency; to collect and classify information on all matters of general commercial interest; to obtain the removal, as far as such a Society can, of all acknowledged grievances affecting merchants as a body, or mercantile interests in general; to receive and decide references on matters of usage and custom in dispute, recording such decisions for future guidance, and by this and other means assisting to form a code of practice for simplifying and facilitating business; to communicate with the public authorities, with similar Associations in other places, and with individuals on all subjects of general mercantile interest; and to arbitrate between parties willing to refer to, and abide by, the judgment of the Chamber.

II. That all persons engaged or interested in mercantile pursuits desirous of joining the Chamber, and disposed to aid in carrying into effect the objects of the same, shall be admitted Members by the vote of a majority of not less than two-thirds of those voting at a General Meeting, as provided for in Rule III.

III. That one-fourth of the firms constituting the Chamber shall be held sufficient to form any General Meeting when the same has

been regularly called together—one partner representing a firm; but two or more partners of one firm being present only to count as one Member of the Chamber. That seven clear days' notice shall be given before any resolution proposing changes in the Rules of the Chamber be brought forward, and that such notice be given in writing to the Secretary, who shall circulate it for the information of the members of the Chamber.

IV. That the Chamber reserves to itself the right of expulsion in case of need, to be decided at a General Meeting by a majority of three-fourths of the Members present at such General Meeting duly convened.

V. The subscription of each firm or Member of the Chamber shall be Rs. 25 per month.*

VI. That the affairs and funds of the Association be managed by a Committee of seven Members, consisting of the Chairman and Deputy Chairman of the Chamber and five Members, who shall be elected annually at a General Meeting of the Chamber in the month of September, and shall remain in office for one year, but be re-eligible on expiration of office. The Chairman and Deputy Chairman, as the case may be, to be *ex-officio* Chairman of the Committee, and in their absence the Committee to elect their own Chairman. Three to be a quorum. In the event of any Member of the Committee resigning or declining to serve, the remaining Members of the Committee shall fill up the vacancy.

VII. The Chairman, Deputy Chairman, and Members of Committee for election, must be proposed at least seven days before the General Meeting to be convened for the purpose of elections, and their names be published in the rooms of the Chamber for that period, and by circular. No two Members of one firm shall be on the Committee at the same time.

VIII. That all questions before the Committee shall be decided by a majority, the Chairman having a second or casting vote in case of an equality of voters.

IX. That the Committee shall meet on Friday, or on such other day as may be found by them most convenient, of every week, to receive and dispose of all communications and references, and to take under their consideration generally all matters embraced in the objects of the Chamber; and that their proceedings be laid on the table for the inspection of all Members, subject to such regulations as they may make.

* *Subscription.*—The following resolution was adopted at a Meeting of the Chamber on April 11th, 1870:—"That the subscription to the Chamber be reduced from Rs. 25 to Rs. 20, and that the charge for a copy of each of the publications to Members be Rs. 15 per mensem."

X. That General Meetings of the Chamber be held quarterly for the purpose of discussing any measures of public interest which may arise, and that in the interval between the Meetings the Committee of the Chamber be intrusted with the selection of subjects for discussion at those meetings, and give notice of the same to the Members beforehand. That a Special General Meeting shall be called by the Chairman, or by his order, seven days after the receipt of a requisition from any three firms, Members of the Chamber; but that a majority of firms, represented by one or more Members from each firm, being Members of the Chamber be required to constitute such General Meeting, and that the Annual General Meeting shall be held in the month of September, on such day as the Committee for the time being shall direct, such meeting to be convened on a seven days' notice. That all General Meetings of the Chamber shall be advertised in the newspapers.

XI. That the Committee be authorised to provide suitable accommodation for the meeting of the Chamber, to pay all expenses of the establishment, and to control generally the management of the affairs of the Chamber.

XII. That all moneys or funds of the Chamber, as received, be paid into the hands of the Treasurer or Treasurers for the time being, and that the same be available by cheques signed by the Chairman, or in his absence by the Acting Chairman for the time being, and by one other Member of the Committee.

XIII. That a Secretary be appointed by a majority of Members in such way as the Committee for the time being may point out; that it shall be the duty of such Secretary to keep the records and accounts of the Chamber, to collect subscriptions, handing the same over to the Treasurer, to conduct correspondence, and to act generally under the directions of the Committee.

XIV. That all the proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

XV. That any stranger engaged or interested in mercantile pursuits visiting the Presidency may be introduced as a visitor by any Member of the Chamber inserting his name in a book to be kept for the purpose, but that a residence of two months shall subject him to the rule for the admission of Members.

XVI. *Honorary Members.*—Gentlemen distinguished for public services, or eminent in commerce and manufactures, may be elected Honorary Members of the Chamber, and as such shall be exempted from paying subscriptions.

XVII. That an annual report of the proceedings be made, and copies sent to the similar Associations in India, China, and elsewhere.

XVIII. That the foregoing Rules be added to, or altered, only by a majority of Members of the Chamber.

XIX. That the firms whose signatures are attached be considered as acknowledging the "Bombay Chamber of Commerce" as now constituted, to represent their public and united interests.

XX. That the foregoing Rules be copied into a book, to be kept with the records of the Chamber, and be signed by all the Members, and that copies be printed and delivered to each firm.

SHIP TONNAGE SCALE AT BOMBAY.

At a General Meeting of Merchants held in the Offices of the Chamber of Commerce, Bombay, on the 6th of June 1856, convened by Circular under the direction of the Committee of the Chamber, William Forsyth Hunter, Esq., Chairman of the Chamber, in the chair, it was proposed by Henry Scott, Esq., of Messrs Finlay, Scott & Co., seconded by John Campbell, Esq., of Messrs. Campbell, Mitchell & Co., and unanimously carried,—"That from and after the 1st of January 1857 the following amended Scale be taken to regulate the Trade from Bombay and the Malabar Coast to the United Kingdom, in the absence of special agreement to the contrary":—

Articles.	To the Ton.
Aloes, in kegs	16 cwt.
Alum, in bags	20 ,,
Annato, in cases	50 feet.
Apparel	50 ,,
Arrowroot, in cases	50 ,,
Assafœtida, in cases	50 ,,
Barilla	20 cwt.
Bees' Wax, in cases	50 feet.
Betelnut, in bags	16 cwt.
Blackwood, in straight square logs	50 feet.
Do. otherwise	20 cwt.
Books	50 feet.
Borax, in cases	50 ,,
Do. in bags	20 cwt.
Bullion	per cent.
Camphor, in cases	50 feet.
Canes, Rattans, in bundles	16 cwt.
Cardamoms, in bundles	50 feet.
Cassia Lignea, Fistulâ, and Buds	50 ,,
Chasum	10 cwt.
China Root, in cases	50 feet.
Cigars	50 ,,
Cinnamon, in bales	6 cwt.
Do. in cases	50 feet.
Cloves, in cases	50 ,,

ARTICLES—(*Continued.*)	To the Ton.
Cloves, in bags or frazils...	10 cwt.
Coals...	20 ,,
Cocoa, in bags	12 ,,
Coculus Indicus, in bags...	16 ,,
Coffee, in cases	50 feet.
Do. in bags or frazils...	16 cwt.
Coir, in bales	50 feet.
Do. in bundles or loose...	6 cwt.
Do. Rope, in coils	8 ,,
Colocynth, in cases	50 feet.
Colombo Root, in bags	14 cwt.
Copra, in robins	12 ,,
Do. in bags	12 ,,
Coral, Rough (not specimen), in bags	20 ,,
Cotton, in bales	50 feet.
Cowries, in cases	50 ,,
Do. in bags	20 cwt.
Cubebs	12 ,,
Cummin Seed, in cases	50 feet.
Cutch or Terra Japonica, in bags or baskets, unscrewed.	16 cwt.
Dates, wet	20 ,,
Do. dry	16 ,,
Dragon's Blood, in cases	50 feet.
Ebony, square and straight	50 ,,
Do. otherwis	20 cwt.
Elephants' Teeth, in cases	50 feet.
Do. in bundles	18 cwt.
Do. loose	20 ,,
Furniture	50 feet.
Galingâls	12 cwt.
Galls, in bags	16 ,,
Do. in cases	50 feet.
Ginger, dry, in cases	50 ,,
Do. in bags	12 cwt.
Gram	20 ,,
Ground Nuts, shelled	16 ,,
Gums, of all kinds, in cases	50 feet.
Gum Olibanum, in bags	16 cwt.
Hurtall, in cases	50 feet.
Hemp, in screwed bales	50 ,,
Do. loose or in bundles	7 cwt.
Hides and Skins, in screwed bales	50 feet.
Hides and Skins, loose and in small bundles... ...	12 cwt.
Horns, Buffalo and Cow, loose	16 ,,
Horns, Deer, loose	8 ,,
Horn Tips, of any kind	16 ,,
Indigo, in cases	50 feet.
Jackwood	50 ,,
Lac Dye, in shells or cases	50 feet.
Linseed, in bags	18 cwt.

ARTICLES—(*Continued.*)	To the Ton.
Mace, in cases	50 feet.
Mother-o'-Pearl, in cases	50 ,,
Do. in bags	20 cwt.
Munjeet or Madder Root, in cases or bales	50 feet.
Do. in bundles or bags	12 cwt.
Musk, in cases	50 feet.
Myrabolams, in bags	16 cwt.
Nutmegs, in cases	50 feet.
Nux Vomica, in cases	50 ,,
Do. in bags	16 cwt.
Oil, of any kind, in casks	210 Im.gals.
Oil Seeds—Teel, Rape, Mustard, Khorassan, and Castor	17 cwt.
Opium	per chest.
Paddy, in bags	16 cwt.
Pepper, in bags	16 ,,
Pimento	14 ,,
Plumbago, in bags	20 ,,
Rattans, in bundles	16 ,,
Do. Ground	16 ,,
Red Wood	16 ,,
Rhubarb, in cases	50 feet.
Rice, in bags	20 cwt.
Safflower, in cases	50 feet.
Do. in screwed bales	50 ,,
Do. in bags	10 cwt.
Sago, in cases	50 feet.
Sal Ammoniac, in cases	50 ,,
Do. in bags	18 cwt.
Saltpetre	20 ,,
Sandal and Sapan Wood	16 ,,
Sealing Wax, in cases	50 feet.
Senna, in bags	6 cwt.
Do. in bales	50 feet.
Shells, Rough, in bags	20 cwt.
Silk, in bales	10 ,,
Do. in cases	50 feet.
Soap, in cases	50 ,,
Sugar, in bags	20 cwt.
Talc	20 ,,
Tallow	50 feet.
Tamarinds	18 cwt.
Tea, in chests	50 feet.
Timber, Teak: Spuare Planks and Poon	50 ,,
Do. Round, one-fifth off.	
Tobacco, in bales	50 ,,
Tortoise Shells, in chests	50 ,,
Turmeric, in bags	13 cwt.
Tutenague	20 ,,
Unrated Wood	14 ,,
Whanghees (*vide* Canes)	16 ,,

ARTICLES—(*Continued.*)	To the Ton.
Wheat	20 cwt.
Wines and Spirits, in casks	50 feet.
Do. in cases	50 ,,
Wool, in screwed bales	50 ,,
Zedory	20 cwt.

*** The Standard Ton at Bombay for Measurement Goods shall be taken at 50 cubic feet.

Proposed by James Fleming, Esq., of Messrs. W. Nicol & Co., and seconded by William Trevor Roper, Esq., of Messrs. Lawrence & Co., and carried unanimously,—"That the Freight on Oil be paid on the full gauge of the cask, ascertained at the port of discharge."

Proposed by Thomas Stock Cowie, Esq., of Messrs. Remington & Co., and seconded by John Parsons, Esq., of Messrs. Cardwell, Parsons & Co., and carried unanimously,—"That when Freight is payable on weight, the same is to be on the Nett Weight delivered."

(Signed) W. F. HUNTER,
Chairman.

STEAMER TONNAGE SCALE.

AT the Annual General Meeting of the Members of the Bombay Chamber of Commerce, held on Tuesday, 8th October, 1872, it was proposed by G. A. Kittredge, Esq., of Messrs. Stearns, Hobart & Co., seconded by Thomas Wilson, Esq., of Messrs. Antrobus & Co., and carried unanimously—That the subjoined Scale and the accompanying Rules be taken to regulate the steamer trade from Bombay and the Malabar Coast to the United Kingdom and the Continental Ports in Europe, in the absence of special agreement to the contrary :—

1. That the Tonnage Scale for steamers shall be on the basis of 40 cubic feet and 16 cwt. dead weight to the ton.
2. That Hides and Skins, whether in bales or bundles, be taken by measurement and not by weight.
3. That Oil be taken on the outside measurement of the cask.
4. That when Freight is payable on weight, the same is to be on the nett weight delivered.
5. That these Rules and the subjoined Scale come into force for steamers from this date—Tuesday, 8th October, 1872.

ARTICLES.	To the Ton.
Aloes, in kegs	... 40 feet.
Alum, in bags	... 16 cwt.
Annato, in cases	... 40 feet.
Apparel	... do.
Arrowroot, in cases	... 40 feet.
Assafœtida, in cases	... do.
Barilla	... 16 cwt.
Bees' Wax, in cases	... 40 feet.
Betelnut, in bags	... 13 cwt.
Blackwood, in straight square logs	... 40 feet.
Do. otherwise	... 16 cwt.
Books	.. 40 feet.
Borax, in cases	... do.

ARTICLES (continued.)	To the Ton.
Borax, in bags	16 cwt.
Bullion	per cent.
Camphor, in cases	40 feet.
Canes, Rattans, in bundles	13 cwt.
Cardamoms, in bundles	40 feet.
Cassia, Lignea, Fistula, and Buds	40 feet.
Chassum	8 cwt.
China Root, in cases	40 feet.
Cigars	do.
Cinnamon, in cases	do.
Cloves, in cases	do.
Do. in bags or frazil	8 cwt.
Cocoa, in bags	10 do.
Coculus Indicus, in bags	13 do.
Coffee, in cases	40 feet.
Do. in bags or frazils	12 cwt.
Coir, in bales	40 feet.
Do. in bundles or loose	5 cwt.
Do. Rope, in coils	40 feet.
Colocynth, in cases	do.
Colombo Root, in bags	8 cwt.
Copra, in robins	8 do.
Coral, Rough (not Specimens), in bags.	16 do.
Cotton, in bales	40 feet.
Cowries, in cases	do.
Cowries, in bags	16 cwt.
Cubebs	10 do.
Curumin Seed, in cases	40 feet.
Cutch or Terra Japonica, in bags or baskets, unscrewed	13 cwt.
Dates, wet	16 do.
Do. dry	13 do.
Dragon's Blood, in cases	40 feet.
Ebony, square and straight	do.
Do. otherwise	16 cwt.
Elephants' Teeth, in cases	40 feet.
Elephants' Teeth in bundles	14 cwt.
Do. loose	16 do.
Furniture	40 feet.
Galingals	10 cwt.
Galls, in bags	13 do.
Do. in cases	40 feet.
Ginger, dry, in cases	do.
Do. in bags	10 cwt.
Gram	15 cwt.
Ground Nuts, shelled	13 do.
Gums, of all kinds, in cases	40 feet.
Gum Olibanum, in bags	13 cwt.
Hurtall, in cases	40 feet.
Hemp, in screwed bales	do.
Do. loose or in bundles	5 cwt.

ARTICLES (continued.)	To the Ton.
Hides and Skins, in screwed bales	40 feet.
Do. loose and in small bundles.	do.
Horns, Buffalo and Cow, loose	13 cwt.
Do. Deer, loose	6 do.
Horn Tips, of any kind	13 do.
Indigo, in cases	40 feet.
Jackwood	do.
Lac Dye, in shells or cases	do.
Linseed, in bags	16 cwt.
Mace, in cases	40 feet.
Mother-o'-Pearl, in cases	do.
Do. in bags	16 cwt.
Munjeet or Madder Root, in cases or bales	40 feet.
Do. in bundles or bags	8 cwt.
Musk, in cases	40 feet.
Myrabolams, in bags	13 cwt.
Nutmegs, in cases	40 feet.
Nux Vomica, in cases	do.
Do. in bags	13 cwt.
Oil, of any kind, in casks	40 feet.
Oil Seeds, Teel, Rape, Mustard, Gingelly, and Castor	14 cwt.
Opium	per chest.
Paddy, in bags	13 cwt.
Pepper, in bags	13 do.
Pimento	12 do.
Plumbago, in bags	16 do.
Rattans, in bundles	13 do.
Do. Ground	do.
Red Wood	do.
Rhubarb, in cases	40 feet.
Rice, in bags	16 cwt.
Safflower, in cases	40 feet.
Do. in screwed bales	do.
Do. in bags	8 cwt.
Sago, in cases	40 feet.
Sal Ammoniac, in cases	do.
Do. in bags	15 cwt.
Saltpetre	16 do.
Sandle and Sapan Wood	11 do.
Sealing-Wax, in cases	40 feet.
Senna, in bags	5 cwt.
Do. in bales	40 feet.
Shell, Rough, in bags	16 cwt.
Silk, in bales	8 cwt.
Do. in cases	40 feet.
Soap, in cases	do.
Sugar, in bags	16 cwt.
Talc	do.
Tallow	40 feet.
Tamarinds	15 cwt.

ARTICLES (continued.)	To the Ton.
Tea, in chests	40 feet.
Timber, Teak, Square Planks and Poon	do.
Do. Round, one-fifth off,	
Tobacco, in bales	40 feet.
Tortoise Shells, in chests	do.
Turmeric, in bags	11 cwt.
Tutenague	16 do.
Unrated Wood	11 do.
Whangees (*vide* Canes)...	13 do.
Wheat	16 do.
Wines and Spirits, in casks	40 feet.
Do. do. in cases	do.
Wool, in screwed bales...	do.
Zedoary	16 cwt.

LIST OF LANDING CHARGES

Sanctioned by the Bombay Chamber of Commerce, at the Annual General Meeting of the Members held on Tuesday, 8th October 1872.

[These rates are understood to cover landing, cranage, and delivery on the bunder, but not Bunder Fees.]

	Rs.	a.	p.
Piece Goods from Europe, per bale or case	0	5	0
Spirits, Wine and Beer, per doz. quarts or 2 doz. pints ...	0	1	0
Oilman's Stores, (large cases)	0	3	0
Do. (small cases)	0	1	0
Copper and Yellow Metal per ton	2	0	0
Iron, (loose and in bundles)	1	8	0
Steel, (in kegs and loose)	1	8	0
Tin, Lead, and Spelter, per ton	1	8	0
Coal, per ton	1	0	0
Rice, per bag (not exceeding 1½ cwt.)	0	1	0
Sugar, do. do. do.	0	1	3
Paint, (in oil), per ton	2	8	0
Gunny bags, (in bales)	0	7	0
Do. bundles, (bundle of 50)	0	1	0
Crockery, (in casks or crates)	1	0	0
Wine and other Liquors, (in hogsheads)	0	10	0
Wine, (quarter casks)	0	5	0
Machinery in pieces, under a ton	1	12	0
Assafœtida, (in bags)	0	6	0
Beer and Porter, (in hogsheads)	0	8	0
Arrowroot, (in moras) per 1½ cwt.	0	2	0
Do. (in cases) per 1 cwt.	0	2	0
Almonds, per bag	0	1	0
Brassware, per ton	2	0	0
Beads, (in cases)	0	5	0
Brass leaves, do.	0	2	0
Borax do.	0	7	0
Boots do.	0	5	0
Books, (ordinary cases)	0	5	0
Coffee, (in bags) not exceeding 1½ cwt.	0	1	3
Do. (in casks and cases) per ton	1	8	0
Copra, (in bags)	0	1	0
Do. (in robins)	0	2	0
Chillies, (in bags)	0	1	0
Cocoanuts, (in bundles)	0	2	0
Cotton, (in docras half-pressed and full-pressed bales)	0	5	0
Cardamoms, (in bags)	0	2	0
Do. (in cases 2 cwt.)	0	6	0
Cheroots, (in cases of 10,000)	0	8	0
Coir, (in bundles of cwt.)	0	1	0

	Rs.	a.	p.
Carpets, ...	0	7	0
Camphor, (in cases)	0	4	0
Do. (in tubs)	0	1	6
Crackers, ...	0	4	0
Cassia, (in cases)	0	3	0
Canvas, (in bales)	0	5	0
Cashew-nuts, (in bags)	0	2	0
Dry Dates, (in mats or bags) per cwt....	0	1	0
Wet do. (do. do.) do.	0	1	0
Drugs, (in bags or cases)	0	5	0
Elephant Tusks, (in bundles)	0	6	0
Do. (pieces)	0	2	0
Dried Fruit, (in bags, &c.), per cwt.	0	1	0
Sharkfins and fishmaws, (in bags)	0	4	0
Dried Ginger, (in cases or bags)	0	8	0
Grain of all sorts, per bag	0	1	0
Ghee, per dubba	0	4	0
Gums, (in bags) per cwt...	0	1	0
Ground Nuts, (in bags)	0	1	0
Hides, (in pressed bales) per cwt.	0	1	0
Indigo, (in cases)...	0	6	0
Jaghery, (in bags)	0	1	0
Jute, (in bales)	0	5	0
Shell Lac, (in cases)	0	4	0
Mace, (in cases)	0	3	0
Mats, of sorts, per cwt.	0	1	0
Medicine, (in cases)	0	5	0
Nuts of sorts, (in bags) per cwt...	0	1	0
Nutmegs, (in bags or cases) per cwt.	0	1	0
Oils, (in casks) per ton	2	0	0
Oil Kerosine, (in cases)	0	1	0
Pianos, ...	5	0	0
Pepper, (in bags) per cwt.	0	1	0
Paper, (in bales or cases)	0	5	0
Do. China do.	0	3	0
Rope, per ton	2	0	0
Vermillion, (in cases)	0	4	0
Saffron, do.	0	5	0
Shells, (Mother o' Pearl) (in bags), per cwt....	0	1	0
Seeds, (other sorts) do. do.	0	1	0
Safflower, (in bags)	0	2	0
Silk China, (in bales)	0	6	0
Do. Pieces, (in cases)	0	6	0
Saltpetre, (in bags) per cwt.	0	1	0
Goat Skins, (in bales or bundles) per cwt.	0	1	0
Spices, (other sort) (in bags or cases), per cwt.	0	1	0
Turmeric, (in bags) per bag	0	1	0
Tea, (half chests)	0	1	0
Do. (whole do.)	0	2	0
Tobacco, (in small cases)	0	3	0
Do. (in longer)	0	4	0
Tallow, (in casks)	0	5	0
Umbrellas, (in cases)	0	5	0
Carriages	8	0	0

RULES AND REGULATIONS

For the Measurement by Callipers upon Exports from Bombay of Cotton, Wool, Hemp, and other Pressed Bales, as revised and adopted by the Chamber of Commerce, at a Special General Meeting held on Wednesday, the 2nd November 1870.

I. THAT Callipers shall from time to time be submitted to the Secretary of the Chamber of Commerce, and, if found correct, shall be branded with a stamp bearing the name of the Chamber, to indicate the same.

II. That if, from use or otherwise, any Calliper should get out of order and be objected to, the party objecting shall send the Callipers to the Chamber for examination, and should the objection be valid, the Chamber stamp shall be defaced by the Secretary. If, however, the objection is found to be groundless, the Secretary shall give a note to that effect, and the party objecting shall be bound by his decision.

III. That any Callipers found incorrect, and on which the stamp has been defaced, may be re-stamped after adjustment.

IV. That no measurements shall be held good except such as are taken by Callipers bearing the Chamber's stamp.

V. That public Measurers shall be appointed under the authority of the Chamber of Commerce, and stationed at the different Bunders, to measure pressed bales of Cotton, Wool, Hemp, and other merchandise.

VI. That a Fee, the amount of which shall in no case exceed half an anna per bale, but which may be regulated by the Chamber from time to time in order to meet the expenses of the necessary establishment, shall be levied on all bales measured by the duly appointed Measurers.

VII. That no bales be measured without the production of the Custom House Pass bearing the endorsement of the Measurement Fee Clerk, to the effect that the Fee has been paid.

VIII. That the Measurers shall measure not less than five bales in every hundred, ascertaining the length of the bale and the greatest width and depth over the lashings, and as near the centre of the bale as possible, but not over the knots.

IX. That the Measurer shall give a Certificate of Measurement, which must accompany the bales to the ship or steamer, and shall furnish the Shipper with a copy thereof. This Certificate, which shall be retained by the ship, shall state—

The date and hour of measurement,	The name of the ship or steamer,
The number of the boat,	The number of bales,
The name of the tindal,	The marks of the bales,
The name of the shipper,	The measurement.

X. That the Shipper shall, if required, in writing, give the Agent of the ship or steamer notice in writing, of the time when, and the name of the Bunder on which his bales will be measured, in order that the ship or steamer may be represented.

XI. That the bales shall be alongside the ship or steamer within 36 hours after measurement, weather permitting, or the Certificate shall be void, and the bales shall be re-measured on board, written notice however in such case being given to the shipper, so that he may have the option of attending.

XII. That the salaries of the Measurers, and all other expenses connected with this scheme of measurement, be paid by the Chamber from the Fee Fund raised under these Rules.

XIII. That a Special Committee of two Members of the Chamber be appointed by the General Committee, into whose charge shall be placed all matters pertaining to the measurement of Cotton, as defined above, including the appointment of the Measurers, the fixing of their salaries, the payment of the same, and the doing of all things necessary for a proper and economical working of the scheme. That in case of any difference between the two Members of the Committee, the matter in question shall be decided by the General Committee of the Chamber,

Bombay Chamber of Commerce,
2nd November 1870.

GENERAL RATES OF COMMISSION.

Table of General Rates of Commission chargeable in Bombay, as revised by the Chamber of Commerce, and confirmed at a General Meeting held on the 11th February 1843.

		Per Cent.
1.	On procuring freight ... ... Brokerage, when actually incurred, shall be considered a legitimate charge in ship's accounts.	5
2.	On collecting freight	2½
3.	On tendering a vessel (if accepted) for the conveyance of troops ; on the amount of the charter party ...	5
4.	On shipping goods of every description on which no commission for the purchase has been charged ...	2½
5.	On shipping treasure, bullion, and jewellery ...	1
6.	On ship's disbursements when in funds...	1
7.	On ship's disbursements when not in funds... ...	2½
8.	On account of passage-money, whether the same passes through the Agent's hands or not	2½
9.	On effecting insurance	½
10.	On settling insurance losses, whether partial or total, also on procuring return of premium, exclusive of commission on receipt of cash...	2½
11.	On the sale or purchase of goods of all denominations (except as under)	5
12.	On purchases of all kinds with the proceeds of goods sold, and on which a commission of 5 per cent. has been previously charged	2½
13.	On the sale or purchase of ships, houses, and lands, of opium, and of diamonds, pearls, and jewellery of all descriptions	2½
14.	On the sale or purchase of treasure or bullion ...	1
15.	On the sale or purchase of cattle	5½
16.	On goods consigned which are disposed of by outcry or sent to a shop, on net proceeds	5

		Per Cent.
17.	On goods consigned and afterwards withdrawn, invoice cost	2½
18.	On guaranteeing the responsibility of persons to whom goods are sold on the amount of sale ...	2½
19.	On attending the delivery of contract goods to the Company or individuals	2½
20.	On collecting house rent	2½
21.	On sale or purchase of private Bills of Exchange ..	1
22.	On effecting remittances by Bills of Exchange ...	1
23.	On taking up at interest bills from the Company exclusive of one per cent. on remitting	1
24.	On exchanging Company's securities of all descriptions, or investing money therein, and on transferring Government paper from one constituent to another	½
25.	On surrendering or depositing in the Treasury Company's security of all descriptions	½
26.	On procuring money on respondentia or on loan ...	2
27.	On recovering of bands, or of bills for absentees overdue at the time of their being placed in the possession of the Agent	2
28.	On debts when a process at law by arbitration is necessary	2½
29.	On debts when recovered by such means	5
30.	On managing the affairs of the estate for an executor or administrator...	5
31.	On recovering funds from a bankrupt estate	2½
32.	On guaranteeing bills, bonds, or debts in general, by endorsement or otherwise...	2½
33.	On bills of exchange returned noted or protested ...	1
34.	On granting and cashing letters of credit	2½
35.	On becoming security to Government or public bodies in any case	2½
36.	On depositing Government paper as security for constituents	1
37.	On receipt or payment, at the option of the Agent, of all moneys not arising from proceeds of goods on which commission has been previously charged ...	1
38.	In cases where the debtor side of the account exceeds the creditor side, including the balance of interest, commission to be charged at the rate of	1

NATIVE CONSIGNMENTS.—By a Resolution of the Chamber passed unanimously on the 29th of March 1866, it was ruled "that the recognised rate of commission in England on the sale of consignments from Bombay taken after this date be 3½ per cent., exclusive of brokerage and guarantee, and that the same be added to the Scale of Commissions sanctioned by the Chamber."

At a Special General Meeting of the members of the Chamber of Commerce held on 30th April 1868, it was unanimously resolved that the following rates for ships' commissions be added to the general list of commissions approved by the Chamber :—

For executing orders to Charter or engage Tonnage in Bombay or at outports ... ...2½ per cent.

On realising Bottomry Bonds or negociating any loan on *respondentia* ... ...2½ per cent.

On landing and re-shipping goods from any vessel in distress, stranded, or wrecked, or on landing or selling by auction damaged goods from any such vessel, and acting as agent for the Master on behalf of all concerned, on the declared value of all such goods as may be reshipped, and on net proceeds of all such goods as may be publicly sold ... ...5 per cent.

If Opium, Indigo, Raw Silk or Silk Goods ... ...2½ per cent.

If Treasure, Precious Stones, or Jewellery ... .. 1 per cent.

On moneys expended, *i.e.*, on all disbursements made in efforts to save Ship or Cargo ... ...5 per cent.

On Ships leaving the Port in ballast which have been consigned inward free of commission, 6 annas per ton upon the English tonnage.

On Ships leaving the Port in ballast which have been consigned inwards and outwards, 12 annas per ton upon the English tonnage.

SHIP FREIGHT INWARDS.

It is hereby notified that, at a SPECIAL GENERAL MEETING of the MEMBERS of the CHAMBER of COMMERCE held on WEDNESDAY, 22nd March, it was unanimously resolved that the Agreement of 1858, and as subsequently revised in 1868, regarding the payment of Inward Freight, be cancelled, and that, in future, payment should be regulated in conformity with the following Resolutions:—

I.—"That the payment of Inward Freight, when stated simply in sterling, shall be made at the rate of 2*s*. per Rupee."

II.—"That the payment of Inward Freight, when stated to be payable in sterling at the current rate of Exchange, shall be made at the current rate of First-class Credit Bills at 6 months' sight on London."

By order of the
Committee of Management,

JAMES TAYLOR,
Secretary.

BOMBAY CHAMBER OF COMMERCE,
15*th April*, 1871.

GENERAL MEETINGS IN 1871-72.

A PUBLIC MEETING of the members of the mercantile community was held on Wednesday, the 10th January 1872, at 12 o'clock noon, at the offices of the Chamber, to consider the correspondence which has passed between the Government of Bombay and the Committee of the Chamber on the question of the formation of a Port Trust, and to pass such resolutions thereon as may be considered expedient.

Present :—

MR. W. G. HALL, *Chairman* of the Chamber, in the Chair.

Mr. J. K. Bythell.
,, James Macalister.
Captain G. F. Henry.
Mr. H. D. Dods.
,, T. H. Moore.
,, D. Graham.
,, G. Tippet.
,, James Douglas.
,, F. Jefferson.
,, T. E. Taylor.
,, T. Wilson.
,, J. G. Smith.
,, J. W. Lang.
,, A. E. Ashley.
Mr. G. Manson.
,, J. M. Maclean.
,, A. J. Macdonald.
,, J. B. Farnham.
,, T. Lidbetter.
,, Nursey Kessowjee.
,, Ghellabhoy Pudumsey.
,, Sewlal Motilal.
,, Purbut Ludha.
,, Tapidas Vurjdas.
,, Vurjeevundas Vulubdas.
,, Nowrojee Furdoonjee.
And others.

JAMES TAYLOR, *Secretary.*

The Notice convening the Meeting was read by the Secretary.

The Chairman then made a few introductory remarks, stating the object of the Meeting—and asked the Meeting to take the correspondence as read.

Proposed by Mr. T. Wilson (of Messrs Rennie, Scovell & Co.) seconded by Mr. J. Macalister (of Messrs. Finlay, Muir & Co)—

I.—" That in the opinion of this Meeting the delay of nearly two years that has taken place in preparing a comprehensive scheme for

a Harbour and Port Trust for Bombay has been matter of regret to the trading and shipping interests of the Port.

"That from the correspondence which has been read, this Meeting regrets to infer that it is the intention of Government to come to a definite settlement of the question before ascertaining the views of the mercantile community thereon, it being inexpedient, in a matter of so much importance, that final arrangements between the Government of India and the Government of Bombay should be made without affording that community an opportunity of expressing their views regarding the same."

Proposed as an amendment by Mr. D. Graham (of Messrs. Graham and Co.), seconded by Mr. T. E. Taylor (of Messrs. Lawrence and Co.)—

"That all Mr. Wilson's resolution after the word 'Port' be omitted."

The Chairman put the amendment to the Meeting, when only two voted for it.

The resolution was then put to the Meeting and carried.

Proposed by Mr. A. E. Ashley (London, Asiatic, and American Company), seconded by Mr. G. Tippet (of Messrs. Grendon, Tippet and Co.), and carried unanimously—

II.—"That the Committee of the Chamber be requested, on behalf of this Meeting, to submit the foregoing resolutions to the Government of India and the Government of Bombay, with a Memorial to the former, praying that all particulars on the subject of the proposed scheme be placed before the public without delay."

Mr. Nursey Kessowjee made a short speech on behalf of himself and the other native gentlemen present in support of the resolutions that had been passed, and the Meeting was then dissolved after a vote of thanks to the Chairman.

A SPECIAL GENERAL MEETING of the Members of the Chamber of Commerce was held on Wednesday, the 13th March 1872, for the transaction of the following business :—

1. To elect a Chairman and Deputy Chairman, the former in the room of Mr. W. G. Hall, proceeded to Europe.

2. To consider the form of shipping order at present in use for steam ships.

3. The preparation of a tariff of landing charges for the Port.

4. The formation of a tonnage scale for steam ships to Europe.

Present :—

MR. J. K. BYTHELL, *Deputy Chairman*, in the Chair.

MR. J. Macalister.
,, J. A. Forbes.
,, H. D. Dods.
,, J. Douglas.
,, J. H. Riebe.
,, J. Brandenberg.
,, T. H. Moore.
,, Julius Sohr.
,, Robert Ewing.
,, D. Graham.
,, H. G. Tippet.
,, R. B. Sedgwick.
,, R. E. Bickerdike.
,, Ed. Doering.
Captain G. F. Henry.
Mr. W. Lang.
,, T. E. Taylor.
,, Ed. Walker.
,, Hamilton Maxwell.
,, W. F. Peèl.
,, T. Wilson.
,, C. Douglas.
,, J. Y. Lang.
,, O. Nölke.
,, F. Aitkins.
,, H. Vinay.
,, D. B. Coppel.

MR. JAMES TAYLOR, *Secretary.*

The Notice convening the Meeting having been read by the Secretary,

Messrs. Aldridge, Salmon and Co. were, on the motion of the Deputy Chairman, seconded by Mr. J. Macalister (Messss. Finlay, Muir & Co.), admitted members of the Chamber, after ballot.

It was proposed by Mr. D. Graham (Messrs. W. and A. Graham & Co.), seconded by Mr. W. F. Peel (Messrs. Peel, Cassels & Co.)—

" That Mr. J. K. Bythell (Messrs, Gaddum & Co.) be elected Chairman in room of Mr. Hall, and Captain Henry (Superintendent P. and O. Company) Deputy Chairman."—Carried unanimously.

The Chairman then addressed the members on some of the topics that had engaged the attention of the Committee during the last few months, and, in reference to the question of the rates for landing cargo, proposed the following motion :—

" That a Special Committee, consisting of the Chairman, the Deputy Chairman, Messrs. H. Maxwell, D. Graham, J. G. Smith, T. Wilson, G. A. Kittredge, K. MacIver, A. E. Ashley, W. Lang, and J. Macalister, be appointed to prepare a tariff of rates for landing cargo, and to submit the same for the consideration of the Chamber on as early a date as may be convenient."

The motion was seconded by Mr. H. D. Dods (Messrs. Hutchison, Dods & Co.), and carried unanimously.

Mr. J. Macalister (Messrs. Finlay, Muir & Co.) called the attention

of the Meeting to the necessity for establishing a new tonnage scale for steamers ruuning between Bombay and Europe—and proposed the following :—

" That the question of a tonnage scale for steamers be referred for consideration and report to the Committee appointed to prepare a tariff of landing charges."

The motion was seconded by Mr. T. E. Taylor (Messrs Lawrence & Co.) and carried unanimously.

It was then proposed by Mr. H. Maxwell (Messrs. W. Nicol & Co.), and seconded by Mr. T. Wilson (Messrs Rennie, Scovell & Co.)—

" That the condition generally attached to shipping orders by consignees of steamers, whereby owners and masters of steam ships are protected from all responsibility in case of cargo—from whatever cause—being shut out, is unfair in principle, has been productive of much injustice to shippers, and has tended to foster very objectionable practices. That the Committee of Management be therefore requested to draw the attention of shippers to this matter, and suggest to them the expediency of refusing to accept shipping orders containing the objectionable clause."—Carried unanimously.

The business having been disposed of, the Meeting then adjourned.

A SPECIAL GENERAL MEETING of the Members of the Chamber of Commerce was held at the Office of the Chamber on Wednesday, the 5th June 1872, to receive the Report of the Committee on the questions of the improvement of the Elphinstone property, and the formation of a Port Trust, and to pass such resolutions in reference thereto as may be considered expedient.

Present :—

Mr. J. K. BYTHELL, *Chairman*, in the Chair.

Captain G. F. HENRY, *Deputy Chairman.*

Mr. J. Macalister.
Hon. J. A. Forbes.
Mr. W. Lang.
,, J. Brandenburg.
,, D. Graham.
,, H. G. Tippet.
,, R. E. Bickerdike.
,, H. W. Atkinson.
,, Ed. Walker.
,, W. F. Peel.
Mr. R. McIlwraith.
,, Thomas Wilson.
,, C. Douglas.
,, G. A. Kittredge.
,, O. Nölke.
,, James Douglas.
,, W. M. Gilbert.
,, SorabjeeFramjee Patell.
,, Nanabhoy Byramjee.
,, R. H. Cheetham.

Mr. JAMES TAYLOR, *Secretary.*

The Notice convening the Meeting having been read by the Secretary,

The following Firms were proposed and admitted members after ballot :—

Messrs. Greaves, Cotton & Co.

Proposed by the Chairman, seconded by Mr. James Macalister, (Messrs. Finlay, Muir & Co.)

Messrs. Munro, Newsom & Co.

Proposed by Mr. C. Douglas (Messrs. Ritchie, Steuart & Co.), seconded by Mr. Donald Graham (Messrs. W. & A. Graham & Co.)

Mr. James Bogie.

Proposed by the Chairman, and seconded by the Hon'ble J. A. Forbes (Messrs. Forbes & Co.)

Chairman having addressed the Meeting at great length on the purposes for which it was convened, concluded by proposing the following resolutions :—

That this Chamber having considered the Report of the Committee of Management, the correspondence as published in the *Bombay Government Gazette*, between the Government of India and the Government of Bombay, regarding the purchase of the Elphinstone estate, and the burdens imposed in consequence of that purchase on the trade of the port—

I. Resolved,—That the Committee of Management be empowered to urge on His Excellency the Governor of Bombay in Council the expediency of carrying out the plans proposed by Mr. Ormiston (if convinced of their feasibility) for deep water basins to accommodate the shipping of the port, with funds to be provided by the Government of India without any charge for interest on the outlay until the basins are ready for use, and that the work be proceeded with and completed as speedily as may be practicable.

II. That the Committee be requested to urge the Government of Bombay to take early steps to place the management of all public bunders and landing places, the Elphinstone property acquired by Government, and the general conservancy of the port, in the hands of a Port Trust in accordance with the views expressed by the Government of India in the published correspondence, and to provide for the mercantile community being largely represented on the Board.

The Hon'ble J. A. Forbes seconded the resolutions.

Mr. Kittredge proposed that the second resolution be taken first for discussion, which was seconded by Mr. W. Lang, and supported by Mr. Bickerdike and Captain G. F. Henry.

Resolution II. was accordingly put to the Meeting and carried unanimously.

Mr. McIlwraith proposed that Resolution No. I. be now put to the vote, which motion was seconded by Captain Henry, and supported by Messrs. Wilson, Bickerdike, Kittredge and Graham.

Resolution I. was then put to the Meeting as the second resolution and carried unanimously.

The Meeting then adjourned after a vote of thanks to the Chairman.

A SPECIAL GENERAL MEETING of the Members of the Chamber of Commerce was held at the office of the Chamber on Wednesday, the 10th July 1872, to consider the expediency of memorializing the Secretary of State for India to delay sanctioning the construction of the Railway from Carwar to Gudduck, recommended by the Government of India.

Present :—

Mr. J. K. BYTHELL, *Chairman*, in the Chair.

Captain G. F. HENRY, *Deputy Chairman*.

Mr. J. Macalister.
Hon'ble J. A. Forbes.
Mr. Thomas Wilson.
,, J. H. Riebe.
,, J. Brandenburg.
,, T. H. Moore.
,, R. B. Beymon.
,, Julius Sohr.
,, A. G. Latham.
,, W. Lang.
,, D. Graham.
,, W. J. Ker.
,, R. B. Sedgwick.
,, F. Jefferson.
,, R. E. Bickerdike.
,, H. W. Atkinson.
,, Ed. Walker.
,, R. McIlwraith.
,, H. Maxwell.
,, W. F. Peel.
,, C. Douglas.
Mr. G. A. Kittredge.
,, O. Nölke.
,, K. C. MacIver.
,, F. Atkins.
,, H. Duval.
,, W. A. Baker.
,, D. B. Coppel.
,, W. M. Gilbert.
,, R. H. Cheetham.
,, Sorabjee Framjee Patell.
,, A. C. Oliphant.
,, R. Ewing.
,, A. D. Cunyngham.
,, H. A. Higgins.
,, J. B. Paterson.
,, R. S. Campbell.
,, R. L. Key.
,, M. Mowat.
,, A. G. Mullins.
,, O. Fiedler.

Mr. JAMES TAYLOR, *Secretary*.

The Notice convening the Meeting having been read by the Secretary,

The following Banks were proposed and admitted members after ballot :—

The Hongkong and Shanghai Banking Corporation.

Proposed by the Chairman, seconded by Mr. H. Maxwell (Messrs. W. Nicol & Co.)

The Oriental Bank Corporation.

Proposed by the Chairman, seconded by Mr. C. Douglas (Messrs. Ritchie, Steuart & Co.)

The Chairman having briefly addressed the Meeting on the subject for the discussion, of which the Meeting had been convened,

Mr. Bickerdike (Messrs. Knoop & Co.) moved the following resolution :—

"That in the opinion of this Chamber the estimates of traffic given in the correspondence of the Carwar Railway, published by Government, are founded on an incorrect basis, and cannot therefore be relied upon.

"Resolved—That the Committee of the Chamber be instructed to memorialize the Secretary of State for India to institute further inquiries regarding the correctness of these estimates of traffic, and the advisability of giving a preference to the construction of a railway from the Dharwar districts to a point of junction with the Great Indian Peninsula Railway."

Which resolution was seconded by Mr. D. Graham (Messrs W. and A. Graham & Co.), and supported by Mr. G. A. Kittredge (Messrs. Stearns, Hobart & Co.)

Mr. R. M'Ilwraith (Messrs. W. Nicol & Co.) then moved the following amendment :—

"The Chamber having fully considered the subject of Light Railways projected for the improvement of the Southern Mahratta Country and Mysore.

"Resolved—That the members see no sufficient reason to justify the presentation of a memorial to Her Majesty's Secretary of State for India praying him to delay sanction to the first section of the system, say from Carwar to Hooblee and Gudduck ; but they urge the speediest possible construction of the north-east branch to join the Great Indian Peninsula Railway at Sholapore, or such other

point as may be shown by the surveys now in progress, to be most beneficial to the country."

Mr. C. Douglas (Messrs. Ritchie, Steuart & Co.) seconded the amendment.

On the motion of the Deputy Chairman further discussion of the question was adjourned till Monday, the 15th instant.

THE ADJOURNED GENERAL MEETING of the Members of the Chamber of Commerce was held at the office of the Chamber on Monday, the 15th July 1872, for the further consideration of the question of railway communication in the Southern Mahratta Country.

Present :—

Mr. J. K. BYTHELL, *Chairman*, in the Chair.

Captain G. F. HENRY, *Deputy Chairman*.

Mr. J. Macalister.
Hon'ble J. A. Forbes.
Mr. R. E. Bickerdike.
,, J. Douglas.
,, J. H. Riebe.
,, A. C. Oliphant.
,, J. Brandenburg.
,, T. H. Moore.
,, Julius Sohr.
,, A. G. Latham.
,, W. Lang.
,, D. Graham.
,, W. J. Ker.
,, R. B. Sedgwick.
,, H. W. Atkinson.
,, Ed. Walker.
,, E. Lord.
,, T. Sevastopulo.
,, C. Douglas.
,, O. Nölke.
,, J. Moore.
Mr. H. Maxwell.
,, R. M'Ilwraith
,, W. F. Peel.
,, G. A. Kittredge.
,, K. C. MacIver.
,, Robert Campbell.
,, A. E. Ashley.
,, G. B. Coppel.
,, W. M. Gilbert.
,, R. H. Cheetham.
,, J. F. Moir.
,, R. Stevenson.
,, R. Ewing.
,, A. D. Cunyngham.
,, H. A. Higgins.
,, J. B. Paterson.
,, D. Macfadyen.
,, M. Mowat.
,, A. G. Mullins.
,, O. Fiedler.

Mr. JAMES TAYLOR, *Secretary*.

Mr. J. Macalister (Messrs. Finlay, Muir & Co.) opened the proceedings, and spoke in support of the original resolution—and was followed by Mr. W. Lang.

Mr. H. Maxwell supported the amendment, and was followed by

the Chairman, who spoke in support of the resolution. Mr. M'Ilwraith, by permission of the Meeting, spoke again in reply to previous speakers and in favour of the amendment—and Mr. Bickerdike, the mover of the resolution, replied, and concluded the debate.

The Chairman put the amendment to the Meeting, which was only supported by two votes.

The resolution was then put to the Meeting and carried by 22 votes against 2, many members having left the Meeting without waiting to vote.

The Meeting then adjourned after a vote of thanks to the Chairman.

A SPECIAL GENERAL MEETING of the Members of the Chamber of Commerce was held at the office of the Chamber on Wednesday, the 28th August 1872, to consider the Report of the Committee on a Form of Bill of Lading for Steam Ships from Bombay to Liverpool via Suez Canal, and to pass such resolutions in reference thereto as may be considered expedient.

Present : —

Hon'ble J. K. BYTHELL, *Chairman*, in the Chair.

Captain G. F. HENRY, *Deputy Chairman*.

Hon'ble J. A. Forbes.	Mr. R. B. Sedgwick.
Mr. J. Macalister.	,, H. W. Atkinson.
,, Thomas Wilson.	,, M. B. Manuel.
,, J. Douglas.	,, T. Sevastopulo.
,, L. A. Blascheck.	,, C. Douglas.
,, T. H. Moore.	,, G. A. Kittredge.
,, Julius Sohr.	,, R. Campbell.
,, W. Lang.	,, W. M. Gilbert.
,, D. Graham.	,, J. F. Moir.
,, H. G. Tippet.	,, Sorabjee Framjee Patell.

Mr. JAMES TAYLOR, *Secretary*.

The Notice convening the Meeting having been read by the Secretary,

Messrs. R. L. Southern & Co. were, on the motion of the Chairman, seconded by Mr. T. Wilson (of Messrs. Antrobus & Co.), admitted members of the Chamber, after ballot.

The Chairman having addressed the Meeting on the purpose for

which it was convened, concluded by proposing the following resolution:—

"That this Chamber having considered the Report of the Committee of Management on the subject of a Bill of Lading for Steam Ships from Bombay to Liverpool passing through the Suez Canal—and the Form of Bill of Lading submitted therewith—approves the same, and resolves that the said form be adopted as the standard Bill of Lading of this port for shipments to Liverpool via Suez Canal."

Mr. J. F. Moir, Agent, Oriental Bank Corporation, seconded the resolution.

After some discussion the resolution was put to the Meeting and carried unanimously.

The Meeting then adjourned after a vote of thanks to the Chairman.

THE ANNUAL GENERAL MEETING of the members of the Chamber of Commerce was held at the offices of the Chamber on Tuesday, the 8th October 1872, for the transaction of the following business:—

1.—"To receive the report of the outgoing Committee, and to elect a Committee for the ensuing year.

2.—"To receive the report of the Tonnage Scale and Landing Charges Committee.

3.—"To appoint a Special Committee to consider and report on the Port Trust Bill.

4.—"To consider the question of the *transit* duties to be levied on cotton and other articles under the New Municipal Bill.

5.—"To consider a memorial to the Government of India for the repeal of the export duty on wheat.

6.—"To appoint a Special Committee to wait on H. E. the Governor to urge the repeal of the Cotton Frauds Act before the opening of next cotton season.

7.—"To reduce the cotton measurement fee."

Present :—

Hon'ble J. K. BYTHELL, *Chairman*.

Captain G. F. HENRY, *Deputy Chairman*.

Hon'ble J. A. Forbes.
Mr. James Macalister.
,, Thomas Wilson.
,, C. Douglas.
,, J. H. Riebe.
,, J. Brandenberg.
,, T. H. Moore.
,, Julius Sohr.
,, D. Graham.
,, H. E. Astley.
,, W. Lang.
,, H. G. Tippet.
,, R. E. Bickerdike.

Mr. H. W. Atkinson.
,, W. F. Peel.
,, M. B. Manuel.
,, G. A. Kittredge.
,, H. Maxwell.
,, C. Kapp.
,, Robt. Campbell.
,, W. H. Baily.
,, L. A. Blascheck.
,, D. B. Beynon.
,, Sorabjee Framjee Patell.
,, Nanabhoy Byramjee Jeejeebhoy.

Mr. JAMES TAYLOR, *Secretary*.

The Notice convening the Meeting having been read by the Secretary,

The Chairman suggested that the report of the Committee for the year 1871-72, which had been circulated amongst the members, should be taken as read, which was unanimously agreed to.

Mr. T. H. Moore (Messrs. Campbell, Mitchell and Co.) proposed the following resolution :—

"That the report of the Committee that has been circulated be received with thanks, and printed for general information, together with the documents therein referred to. And that the members of the retiring Committee do now receive the thanks of the Chamber for their attention to its interests during the year of office now expired."

The motion was seconded by Mr. M. B. Manuel (Messrs. Ralli Brothers) and carried unanimously.

The Chairman returned thanks on behalf of the retiring Committee.

It was then proposed by Mr. Donald Graham (Messrs. W. and A. Graham and Co.), seconded by Mr. Hamilton Maxwell (Messrs. W. Nicol and Co.)—

"That the following gentlemen be appointed the Committee for the ensuing year :—

Hon'ble J. K. Bythell (Messrs. Gaddum and Co.), *Chairman.*

Mr. James Macalister (Messrs. Finlay, Muir and Co.), *Deputy Chairman.*

Hon'ble J. A. Forbes (Messrs. Forbes & Co.)
Mr. R. E. Bickerdike (Messrs. Knoop & Co.)
Mr. E. Lord (Messrs. Lyon & Co.),
,, Robert Campbell, Agent Chartered Mercantile Bank,
,, Sorabjee Framjee Patell, (Messrs. Framjee, Sands & Co.)
} *Members of Committee.*

—*Carried unanimously.*

The Chairman then drew attention to the Port Trust Bill, now before the Council of the Governor of Bombay for making Laws and Regulations only, and moved the following resolution :—

"That a Special Committee, composed of the undermentioned gentlemen, be appointed to consider the provisions of the Bombay Port Trust Bill (Act 5 of 1872) and to submit to the members of the Chamber by the 1st day of November next a report embodying their opinion as to the representation that should be made to H. E. the Governor in Council by the Chamber in the matter :—

Captain G. F. HENRY, *Convener.*

Hamilton Maxwell, Esq.	Walter Lang, Esq.
Donald Graham, Esq.	M. B. Manuel, Esq.
G. A. Kittredge, Esq.	R. E. Bickerdike, Esq.
Edmund Lord, Esq.	K. C. McIver, Esq.
James Macalister, Esq.	Sorabjee Framjee Patell, Esq.
Thomas Wilson, Esq.	J. Sohr, Esq.
A. E. Ashley, Esq.	T. H. Moore, Esq.

That the Committee of the Chamber be instructed to call a Special General Meeting of the Chamber to consider the Special Committee's report as soon as possible after its issue.

The Hon'ble Mr. Forbes (Messrs. Forbes & Co.) seconded the motion.—*Carried unanimously.*

It was proposed by Mr. Donald Graham (of Messrs W. & A. Graham & Co.), seconded by Mr. James Macalister (of Messrs. Finlay, Muir & Co.)—

"That this Chamber having observed with regret that in the Municipal Bill (No. 3 of 1872), now under consideration by the

Council of His Excellency the Governor of Bombay for making Laws and Regulations, provision has been made for levying a transit due of four annas per candy on all cotton passing through Bombay, and that Section 114 of the same Bill gives the Municipal Corporation power, with the sanction of the Government of Bombay, to vary the articles on and the rates at which Town Dues shall be levied in Bombay.

"Resolved—That the Committee of the Chamber be instructed to address His Excellency the Governor of Bombay to withhold his sanction from the aforesaid Bill until those objectionable provisions are expunged, and to point out—

"1st—That to institute a system of transit dues in Bombay would be directly to help to destroy a trade that is already heavily burdened in many ways, and would, moreover, be acting in direct contradiction to the orders contained in the Government of India's minute, dated 14th November 1868.

"2nd—That the aforesaid section No. 114 virtually gives the Government of Bombay power to impose a transit due on every article of trade in Bombay, because the condition under which it is proposed to give a return of duty will to a very great extent prevent exporters from availing themselves of it."

—*Carried unanimously.*

Mr. Kittredge after explaining to the Meeting at some length the delay which has taken place in laying the reports on the Tonnage Scale and Landing Charges before the Chamber moved the adoption of the following resolution :—

"That the list of Landing Charges submitted by the Committee be adopted and sanctioned by the Chamber."

Mr. T. Wilson (of Messrs. Antrobus & Co.) seconded the resolution, which was carried unanimously.

Mr. Kittredge then proposed—

"That this Chamber do adopt the steam tonnage scale and rules as recommended by the Special Committee, and that in the absence of special agreement, they be taken to regulate the steam trade from Bombay, from and after this date."

Mr. T. Wilson seconded the resolution.

Mr. H. Maxwell (Messrs. W. Nicol and Co.) proposed as an amendment—

"That Rule No. 2 be omitted from the report of the Tonnage

Scale Committee, and that the payment of freight in weight shall remain as determined by the Chamber at the Meeting of 6th June 1856, viz:—'That when freight is payable on weight the same is to be on the net weight delivered.' "

Mr. W. Lang (Messrs. Finlay, Scott & Co.) seconded the amendment.

After some discussion on the subject the Chairman put the amendment to the Meeting, which was carried by 13 votes to 9.

The following amended resolution was then put to the meeting, and carried unanimously :—

" That this Chamber do adopt the Steam Tonnage Scale and Rules as recommended by the Special Committee with the exception of Rule 2, and that in the absence of special agreement they be taken to regulate the steam trade from Bombay, from and after this date."

Mr. Kittredge next submitted the following resolution on the export duty on wheat to the Meeting :—

"That the General Committee be requested to forward to the Government of India a memorial praying for a repeal of the duty on wheat, and to appoint a Committee to lay the matter before H. E. the Viceroy during his visit in Bombay, and that the Committee of this Chamber be farther requested to communicate with the Kurrachee Chamber of Commerce on this subject, forwarding to them copy of the memorial with a view to their co-operation."

The resolution was seconded by Mr. Hamilton Maxwell, and when put to the Meeting was carried unanimously.

Proposed by Mr. Kittredge (Messrs. Stearns, Hobart & Co.), seconded by Mr. J. Macalister, (Messrs. Finlay, Muir & Co.)—

" That the Committee be instructed to appoint a deputation to wait upon H. E. the Governor at as early a date as may be convenient, to urge the repeal of Act IX. of 1863, the Cotton Frauds Act, before the opening of the coming cotton season.—*Carried unanimously.*

In reference to the question of the cotton measurement fee it was proposed by Mr Kittredge, and seconded by the Chairman—

" That on and after the 9th instant the fee for measurement of cotton and other goods shall be one quarter anna per package."—*Carried unanimously.*

The business being concluded, the Meeting terminated with a vote of thanks to the Chairman.

ANNUAL REPORT.

Your Committee have now the pleasure to report to the Members of the Chamber on the principal topics which have engaged their attention during the official year just closed.

A PORT TRUST FOR BOMBAY AND THE IMPROVEMENT OF THE ELPHINSTONE ESTATE.

In the Report submitted to the members of the Chamber at the last Annual Meeting, held in October 1871, reference was made to a correspondence which was being carried on by the Committee with a view to obtain some definite information from Government regarding its intentions as to the appointment of a Port Trust, and the management of the property that had been purchased from the Elphinstone Company, so that it might be known what benefits Government intended to confer on the Port as compensation for the heavy bunder fees levied on trade under Act V. of 1870, which became law on the 1st March last year. All the information, however, that the Chamber could get from Government at that date was to the effect that the subject was under "careful consideration," and that the result would be made known as soon as the Government was in a position to do so.

In these circumstances a Special General Meeting of the Members of the Chamber was held on the 10th January last, at which resolutions were passed expressing regret at the delay of nearly two years that had taken place in preparing a comprehensive scheme for a Harbour and Port Trust for Bombay; that the meeting inferred, from the

tenor of the correspondence submitted, that it was the intention of Government to come to a definite settlement of the question before ascertaining the views of the mercantile community thereon; that in the opinion of the meeting it was inexpedient, in a matter of so much importance, that final arrangements should be made without affording that community an opportunity of expressing their views regarding the same; and that the Committee of Management be requested to submit the resolutions above mentioned to the Government of India and the Government of Bombay, with a memorial to the former, praying that all information regarding the proposed scheme be made public without delay.

Your Committee duly carried out the instructions of the meeting, and transmitted to the Government of India, on the 18th January, a memorial framed on the resolutions that had been passed. The memorial was acknowledged in a letter from the Government of India, in the Public Works Department, under date 6th March. Your Committee were informed that the Government of Bombay had been addressed on the subject of it, and were referred to that Government for a specific reply.

The "specific reply" sent to the Chamber was a copy of the correspondence between the Government of India and the Government of Bombay, published shortly afterwards as a Supplement to the *Bombay Government Gazette*, copies of which were duly circulated to all the members.

The proceedings of your Committee in reference to this important question, after the publication of the Government correspondence, were fully explained in their Report circulated with the paper of questions by Colonel A. Fraser, R.E., C.B., on the subject of Deep Water Berthage for Ships and Steamers in Bombay, and the answers thereto by Mr. Ormiston, Chief Engineer of the Government Reclamation Works, and submitted for consideration at a Special General Meeting held on the 5th June last.

On the occasion in question, the Chamber, after a lengthened discussion, passed unanimously the following resolutions:

"'That this Chamber, having considered the report of the Committee of Management, the correspondence as published in the *Bombay Government Gazette*, between the Government of India and the Government of Bombay, regarding the purchase of the Elphinstone Estate and the burdens imposed in consequence of that purchase on the trade of the Port—Resolves—

'I. That the Committee be requested to urge the Government of Bombay to take early steps to place the management of all public bunders and landing places, the Elphinstone property acquired by Government, and the general conservancy of the Port, in the hands of a Port Trust, in accordance with the views expressed by the Government of India in the published correspondence, and to provide for the mercantile community being largely represented on the Board.

'II. That the Committee of Management be empowered to urge on His Excellency the Governor of Bombay in Council the expediency of carrying out the plans proposed by Mr. Ormiston (if convinced of their feasibility) for Deep Water Basins to accommodate the shipping of the Port, with funds to be provided by the Government of India without any charge for interest on the outlay until the basins are ready for use, and that the work be proceeded with and completed as speedily as may be practicable.'"

Your Committee, when handing up the foregoing resolutions, took the opportunity of laying before Government the views of the Chamber regarding the formation of a Port Trust and the improvement of the Elphinstone property at some length in a letter, dated 15th June, which was printed and circulated for the information of the members.

No formal reply has been received from Government to this letter, but the members of the Chamber are aware that a Bill for the formation of a Port Trust for Bombay has at length been introduced into the Council of His Excellency the Governor of Bombay for making Laws and Regulations, and this Bill will no doubt receive your early attention. —(*Appendix* A.)

DECIMAL SUB-DIVISION OF THE RUPEE.

The opinion of the Chamber was requested by the Government of India last year, through the local Government, on the expediency of introducing into this country a scheme for the decimal sub-division of the rupee, which, it was stated, had been introduced into Ceylon, "apparently with the complete approbation of the people, and that it has been proposed by high authority that the same step should be taken in India."

The papers received from the Government of India on the subject were circulated to the members, and their opinions requested thereon. Only a few recorded their opinions in writing, but it was represented to Government by your Committee, when handing up the minutes that had been made, that the views therein expressed by the majority represented very well the views held on the subject by the majority of the members. Your Committee pointed out that while amongst merchants and bankers there was nearly unanimity of opinion in favour of the theory of the decimal system, a majority were strongly against the introduction into this country, at the present time, of the decimal sub-division of the rupee on the plan proposed. The example of Ceylon was cited in favour of the proposed change, but your Committee pointed out that the introduction of the proposed scheme into a small place like Ceylon would be no justification for the Government of India disturbing a system which works well, merely to introduce another scheme which no class or section of the people asks for, and whose only advocates appear to be a few able men more enamoured of the supposed perfection of the decimal system than apprehensive of the difficulties that would perplex Government should it seek to put it in force.

As regards Ceylon, it appears from the report of the Ceylon Chamber, for the half-year ending 30th June last, that the change that has been effected is "distasteful," and that it was "found attended with great inconvenience;" the

Committee were of opinion "that if the rupee must be the unit, its Indian sub-divisions should have been introduced." —(*Appendix* B.)

THE SILK TRADE AND SERICULTURE IN WESTERN INDIA.

In the autumn of last year, the Government of India stated, in a Circular Report of Proceedings in the Department of Agriculture, Revenue, and Commerce, that it had been recently endeavouring to acquire full information as to the present state and prospects and past history of the Indian silk trade, in view to ascertaining the best practical methods of developing it, and improving sericulture generally in India. It was further stated, that one of the first essentials to any successful action in these directions is complete information as to all that has yet been done or attempted in India in this matter.

A resolution on the subject was accordingly passed and forwarded to all the local Governments, Administrations, and the Chambers of Commerce of Bengal, Madras, and Bombay, as well as to the various Agricultural and Horticultural Societies in India, asking for such information as they might be able to furnish on the subject of sericulture and the silk trade in this country.

In reply to the resolution and extract of proceedings on the above subject, sent to this Chamber, your Committee informed the Government of India that attempts had been made in various parts of this presidency to grow the mulberry and produce silk some thirty years ago, that many of these experiments seemed for a time to promise remarkably well, but that in the course of a few years the experiments dwindled and died away without leaving any permanent result, and that at the present moment there is no production of raw silk in any part of the Bombay presidency. Regarding the trade in silk, it was pointed out

that there is at present an extensive manufacture of silk cloth throughout the presidency, all by hand loom weaving; that the articles manufactured are consumed within the presidency and adjoining districts; that there is no export of silk manufactures; that there is a considerable import business in Bengal silk goods, as also of silk piece-goods from China; and that the raw silk used in the various manufactures in this presidency is mainly imported from China, chiefly of the kind known as punjum, though fine raw silk is also imported from the Persian Gulf, which is used in Ahmedabad for fine kinkobs.

The Government of India has recently published a very valuable report condensing the information supplied to it on the various attempts made to encourage and extend sericulture in this country, of which two copies have been supplied to the Chamber, and these are at the service of any of the members who take an interest in this important subject, and who may wish to inform themselves on all points as to what has been done and as to the actual position of sericulture in India at the present time.

In the report in question, at page 42, and in reference to the communication from the Chamber, it is stated in regard to the information given about the raw silk trade in this presidency, that "the Chamber seems to have overlooked the imports from Mysore." But this is not so: the point mentioned was quite before your Committee when the subject was considered. Mysore silk used to come here from Bangalore viâ the Malabar coast for farther transmission to Guzerat, but for the last ten years no Mysore silk has been sent to Bombay.—(*Appendix* C.)

HIGH TARIFF VALUATION ON PUNJUM SILK.

It was represented to the Chamber, by some of the importers of punjum silk from China, that the high tariff valuation placed on this staple was injuriously affecting the trade.

One of the principal importing firms, members of the Chamber, laid before your Committee statistics showing that the market value had been declining during the last five years, and for the last two had been lower than the tariff valuation on which duty was charged. In these circumstances your Committee made a representation to Government pointing out how matters stood, stating that in their opinion a case had been made out for a reduction of the tariff valuation in an article of trade which had been languishing for some time, and which those specially connected with it thought likely to be extinguished unless a reduction of the tariff valuation was speedily made.—(*Appendix* D.)

MARINE COURTS OF INQUIRY.

In February last, a communication from the Government of India, in the Marine Department, was submitted to the Chamber, through the local Government, requesting its opinion on a proposal of the Madras Chamber for amending the existing law respecting the constitution of Marine Courts of Inquiry, the proposal of the Madras Chamber being to the effect that the Court of Inquiry should consist of three persons—one to be conversant with nautical affairs, another to be a merchant, and the magistrate.

Your Committee, in reply, had to point out that the matter in question had engaged the attention of this Chamber four years before, when the unsatisfactory character of the present constitution of these Courts was represented to Government, and the expediency of appointing at least two persons conversant with marine affairs to act with the magistrate was strongly urged. To the views stated by the Chamber in 1868, your Committee had nothing to add but to express their regret that nothing had yet been done to remedy the evil to which attention was then so pointedly drawn.

The resolution passed on the subject by the Government of Bombay expressed concurrence with the views of the Chamber, and placed the same before the Government of India, but no action appears as yet to have been taken in the matter.—(*Appendix* E.)

AMENDMENT OF THE NATIVE PASSENGERS' SHIPS ACT.

A Bill to amend the Native Passengers' Ships Act, passed in 1870, was introduced into the Council of His Excellency the Governor-General for making Laws and Regulations towards the close of last year, and in January last a copy of the Bill was submitted to the Chamber by the Government of Bombay, with a request to be favoured with its opinion thereon. The Bill brought steam vessels as well as sailing vessels within the provisions of the law, and one of the objects was to provide, in the case of steam vessels, some relaxation of the rules referring to space and water, which had been represented as unnecessarily strict.

It was observed by your Committee that if ships and steamers were to be placed on the same footing as regards the space allotted to passengers, the latter would be driven out of the market owing to the greater expense incurred in working steamers as compared with sailing vessels; that the voyage of a steamer from Bombay to Jeddah occupies about twelve days, that of a sailing vessel, taking the average of a season, more than a month; that the risk of sickness was far less by steamers, and that with their large condensers, steamers are able to give an almost unlimited supply of water, which of course on sailing vessels must necessarily be limited; that steamer owners would be glad to see a fair allowance fixed; and it was suggested that from nine to ten feet would be fair in itself, meet the views of Government, and give satisfaction otherwise.

Attention was also drawn to the point that, as the Bill stood, it was only applicable to steamers owned and commanded by British subjects; that at present steamers purchased by Arab or Persian merchants, and sailed under Persian colours, were allowed to carry pilgrims without restriction as to number or the space to be allowed to each person; that if these steamers were permitted to run free from restriction, British owned vessels would be driven out of the trade, while the evils which the proposed new regulations were intended to suppress would still remain; and it was therefore recommended that the rules for pilgrim ships should be applied to all vessels, whether British owned or sailing under a foreign flag.

The suggestions abovementioned were taken into consideration by the Select Committee, and made part of the Bill, when it was again submitted for opinion on the amendments, which were approved, and the Bill has become law. —(*Appendix* F.)

THE NEW LIGHT-HOUSE ON THE S. W. PRONGS.

In October last, a copy of a memorial to His Excellency the Governor in Council, against the site chosen for the Light-house now built on the S. W. Prongs at the entrance to the harbour, signed by nearly all the principal mercantile officers who regularly frequent this port, was laid before the Chamber, with a request that the prayer of the memorial might receive the support of the mercantile community.

Your Committee, in addressing Government on the subject, stated that though the members of the Chamber did not pretend to any special knowledge of the important question raised in the memorial, they as merchants had a deep interest in its right settlement; that the subject was pre-eminently a nautical one, and they hoped a memorial so influential, proceeding from the class of men most competent to form an opinion on the matter, might receive the fullest consideration

from Government. In reply to the representation made by your Committee, Government said the question of the site of the Light-house had since 1863 been under careful consideration; that before a final settlement was arrived at, it sought advice from every quarter where it considered reliable advice could be obtained; and the reasons which induced Government to decide upon the position that had been adopted would be found in the letter which had been addressed to Captain Henry, in reply to the memorial, copy of which letter accompanied the Government answer, and will, with the other papers on the subject, be found in the Appendices to this Report.—(*Appendix* G.)

SUEZ CANAL: STANDARD OF TONNAGE ON WHICH THE DUES OF THE COMPANY SHOULD BE COLLECTED.

In October last your Committee received a circular letter from the Suez Canal Company inviting the opinion of the Chamber on the questions of unification of gauge, the basis to be maintained for the collection of dues, and other points therein stated, as bearing on the interests and rights of the Company, for constructing, keeping in repair, and working the Canal for the movement of navigation under all flags.

In reply your Committee expressed an opinion to the effect, that the Canal Company would never obtain the maximum of dues to which it was entitled by the Act of Concession, so long as such dues were collected on the net tonnage according to the ship's official papers, even supposing that a unification of gauge was agreed on by all nations; that shipbuilders can always construct vessels to carry more than will be shown by any standard of measurement; and that it was a fact well known to all engaged in the Bombay cotton trade, that many of the steamers loaded for Europe and passing through the Canal carried cargo

greatly out of proportion to their net registered tonnage, so that the Company did not secure payment on a large portion of the cargo that passed through the Canal. To make the dues levied fall equitably on all ships, under all flags, your Committee recommended, for the favourable consideration of the Company, the adoption of the principle that all vessels be made to pay dues on the actual cargoes they had on board according to their manifests, that is, that the dues be collected on the actual number of tons carried: by this plan the dues would be equally levied on all ships passing through the Canal, while the revenue of the Company would thereby be greatly augmented. It was further suggested to the Company that ships in ballast should continue to be charged according to the existing rule, and that as the great bulk of the traffic was carried in British ships, the tons of 20 cwt. and 40 cubic feet be made, respectively, the standards for deadweight and measurement.

The Canal Company published in the early part of the year a report containing most of the communications that had been received, in reply to the circular letter from the various Chambers of Commerce, and the other public bodies in Europe and the East, of which a copy was supplied to this Chamber.

When the Board of Administration, however, considered the subject in March last, with a view to action, the result of their deliberations was of a very different character from that suggested by your Committee, for instead of agreeing to levy the dues on the tonnage of the cargo actually carried, the decision of the Board was to levy a rate of ten francs per ton on the *gross tonnage* of each ship or steamer. As the members of the Chamber are no doubt aware, this decision has given considerable dissatisfaction, and there is a movement on foot in England to get the decision modified.—(*Appendix* H.)

REVISED VALUES OF THE INWARD AND OUTWARD FOREIGN TRADE OF INDIA.

A circular letter from the Government of India, dated 15th November last, was submitted to the Chamber through the local Government, requesting suggestions as to "the best means of giving in the monthly and annual trade returns an approximately correct statement of the value of the inward and outward foreign trade of India." The subject engaged the attention of your Committee, but after much consideration it appeared to them that little could be done to make declarations of the value of either exports or imports more accurate than they are at present; that on the whole values were as fairly given here as in England; and that they were unable to suggest any alteration that could be considered an improvement on the present system.—(*Appendix* I.)

FORM OF BILL OF LADING FOR STEAMERS BETWEEN BOMBAY AND LIVERPOOL, VIA SUEZ CANAL.

The objectionable clauses that have been introduced into Steamer Bills of Lading for shipments by steamers viâ the Suez Canal engaged the attention of the Chamber two years ago, and in the report laid before the last Annual Meeting, the Committee, then retiring, expressed their regret that they had not seen their way to propose any special course of action. A Committee, however, of merchants in London trading to the East, had then been appointed to consider and amend "the conditions of Bills of Lading by steam-ships passing through the Suez Canal," and your Committee considered it expedient to await the result of the deliberations of the London Committee before attempting any action in the matter.

In July last, they were favoured with a letter from the Chairman of the London Committee, forwarding copies of

their Report and of the Form of Eastern Bill of Lading, inwards No. 4, viâ Suez Canal, which that Committee proposed for general adoption.

The members of the Chamber had copies of the London report and Bill of Lading laid before them as speedily as your Committee were able to get them circulated, and members stated their views very promptly regarding the same.

Your Committee having carefully considered the report of the London Committee of merchants on the Eastern Trade Bill of Lading No. 4, the Bill of Lading itself, and the written opinions expressed thereon by the members of the Chamber, recommended that the question of preparing a Bill of Lading for London, or a general one to suit all ports in England and the Continent of Europe, be left in the meantime in abeyance. It was seen that the point on which the London Committee diverged so widely from the steam-ship owners, namely, the question as to the payment of freight, and delivery of cargo, had little application to the trade of this port, which is principally carried on with Liverpool and some of the leading Continental ports.

In these circumstances, and availing of the suggestion made in the report of the London merchants, your Committee inserted in the Eastern Trade Bill of Lading No. 4 clauses suited to the usages in force at Liverpool with regard to delivery of cargo and payment of freight. The Bill of Lading thus amended with a report stating their views on the whole subject, was submitted for the consideration of the members at a Special General Meeting held on the 28th ultimo, when, after some discussion, a resolution adopting the form of Bill of Lading submitted as the standard Bill of Lading of this port for shipments from Bombay to Liverpool, viâ Suez Canal, was unanimously agreed to. Copies of the form of Bill of Lading, together with your Committee's report on the subject, were forwarded

to the Chairman of the London Committee, to Lloyds, to the Chambers of Commerce of Liverpool, Glasgow, Hull, Newcastle, Manchester, &c., with a request that these bodies would do what they could to make the Bill of Lading generally known.—(*Appendix* J.)

REPEAL OF THE COTTON FRAUDS ACT.

Your Committee regret to have to state that no definite reply has yet been given by the Government of Bombay to the memorial from the Chamber, dated 31st March 1871, praying for the repeal of Bombay Act IX. of 1863, known as the Cotton Frauds Act. Various communications have been received from Government in reply to representations from your Committee, but they amount to nothing more than that "the important question is still under the consideration of Government;" and beyond this stage it seems difficult for Government to proceed. The members of the Chamber are of course well aware, that shortly after his assumption of the office of Governor, early in May last, His Excellency Sir Philip Wodehouse directed that the export fee should be reduced from three to two annas per bale.

Every year of the existence of this Act impresses merchants more strongly than ever regarding its utter uselessness for the purpose of putting down fraud, and with the fact that the large sum of money spent by the department is utterly wasted. Your Committee are of opinion that the time has come when this subject can be no longer left in the stage of "consideration," but must now be actively dealt with.—(*Appendix* K.)

THEFTS OF COTTON BALES IN THE HARBOUR AND SUBSTITUTION OF BALES OF RUBBISH IN ORDER TO PREVENT DETECTION.

During last cotton season a species of theft, that was unfortunately not unknown in Bombay in former years, though not heard of for some time past, appeared amongst us in a serious form, namely, the stealing of cotton bales placed in boats in the harbour ready for shipment and substituting bales of inferior cotton or rubbish in their stead. A prosecution was instituted by Messrs. Volkart Brothers against several persons charged with this crime, who were tried and convicted at the Criminal Sessions in July last, and sentenced to seven years' rigorous imprisonment.

An opinion prevailed very generally that the criminal practice referred to was not confined to the case of Messrs. Volkart Brothers, but that something like an organised system of fraud was being deliberately carried on. In these circumstances your Committee recommended that the case initiated by Messrs. Volkart Brothers should be vigorously prosecuted in the general interests of the mercantile community, and several members of the Chamber accordingly subscribed to pay the costs incurred in prosecuting and punishing the offenders.—(*Appendix* L.)

TRANSIT DUTY ON COTTON UNDER THE NEW MUNICIPAL BILL.

Immediately after the publication of the new Municipal Bill, with the Report of the Select Committee thereon, in the *Bombay Government Gazette* of 30th ultimo, your Committee drew the attention of Government to Schedule B. of the Bill, under which it is proposed to put a so-called town duty on cotton of 4 as. per candy. It was pointed out that the levy of any rate on cotton brought to Bombay for

export would be not an octroi or town duty, but a transit duty, and that in the view of your Committee it was not competent for the Council of the Governor of Bombay for making laws and regulations to legislate for the imposition of transit duties in any form without the consent of the Government of India. Meantime the Bill has passed through Committee, thus sanctioning the transit tax referred to, and the Bill now only awaits a third reading a few days hence.

It is a question now for the consideration of the members of the Chamber, whether it may not be expedient to address the Government of India on a subject of so much importance to the trading interests of Bombay, and to ask His Excellency the Viceroy to withhold his assent from a Bill that resorts to a system of municipal taxation which was condemned by the Government of India many years ago. It was justly remarked in the resolution of the Government of India on this subject, published in the *Gazette of India*, dated 14th November 1868, for the information of all local Governments and Administrations, that,—"it is to little purpose that the Imperial Government reduces or abolishes customs duties in the interests of trade, if municipalities are permitted to levy duties on articles of commerce passing through their limits."—(*Appendix* M.)

IMPROVEMENT IN COTTON CULTIVATION.

Few samples of experiments for the improvement of cotton cultivation, either in this presidency or elsewhere, have been submitted to your Committee for opinion and report during the past season, and of these, only one class deserves special notice, namely, six small samples of Hinghunghaut, Sea Island, Egyptian, Oomrawuttee (Jurree), New Orleans, and Dharwar (New Orleans), grown in the Nicobar Islands, and submitted for report by Mr. Halsey, the Officiating

Commissioner of Cotton and Commerce with the Government of India.

In forwarding their report on these samples, your Committee remarked, that they showed a remarkable development of staple as regards length, but deficiency in respect to evenness and strength: the fact, however, of the staple being so much improved, seemed to show that the climate and soil of the Nicobar Islands were specially favourable for the culture of the higher classes of cotton, and they requested Mr. Halsey to have the matter brought specially to the attention of the Government of India.

The samples in question fully corroborated the opinion given by the Chamber on a sample of cotton said to have been found growing in an almost wild state in the Nicobars, submitted by Mr. Rivett-Carnac and reported on in August 1870.—(*Appendix* N.)

FRAUDS IN WOOL.

Various cases of gross attempts at fraud in shipments of wool were brought to the notice of the Chamber during the past year, and in one case the Deputy Commissioner of Customs prosecuted in the Police court a native shipper for making a false declaration in reference to a shipment of thirty bales valued as good Kurrachee wool worth Rs. 90 per bale, whereas it appeared the bales consisted of mere rubbish, and had not cost more than Rs. 13 per bale. The shipper was convicted and sentenced by the magistrate to pay a fine of rupees five hundred. Your Committee expressed to the Commissioner of Customs their sense of the value of the service that had been rendered to the trading interests of this place, in exposing a fraud of a character too common in Bombay, and bringing the offender to justice.—(*Appendix* O.)

THE CHAMBER SCHEME FOR THE MEASUREMENT OF BALES AND CASES.

Your Committee have pleasure in congratulating the members of the Chamber on the complete success of the scheme inaugurated more than two years ago for the measurement of cotton and other pressed bales.

For a time the Special Committee charged with the control and management of the scheme, had many difficulties to contend with, but these, through their care and judicious management, have all been gradually overcome, and they have now the satisfaction of seeing it established in public favour, and its value as a scheme dealing fairly and impartially with the interests alike of ships, steamers, and shippers, generally recognised.

THE NEW MAIL ARRANGEMENTS.

On the eve of the new mail arrangements, whereby the Overland Mail would be despatched from Bombay to England every Monday afternoon during the fair season, commencing on Monday, the 8th January last, your Committee, in reference to former correspondence with the Director-General of the Indian Post Office, pointed out that Monday would be a very inconvenient day for Bombay, and that the practical effect of it would be that Sunday in the busy season would be turned into a working day, and that they felt assured such a result would be deplored by every authority alike in England and India. Your Committee suggested Tuesday evening as a day that would be in every way more convenient for Bombay without seriously inconveniencing the other presidency towns, that a Tuesday despatch, with the acceleration that would take place in Europe through the opening of the Mont Cenis tunnel, would permit of the mail reaching London in twenty days, and thus secure with fair regularity the delivery of

the Indian mail in London every Monday morning—a result greatly valued by the London merchants.

To this proposal it was objected on the part of the Officiating Director-General, Mr. Hogg, in reply to the first communication from your Committee, that it would entail a late Saturday evening despatch from Calcutta, and a Sunday afternoon despatch from Madras, and that while regretting the inconvenience entailed on Bombay by a Monday afternoon despatch of the Overland Mail during eight months of the year he thought it was unavoidable, and expressed his inability to make any change.

While the correspondence was still going on, Mr. Monteath, the Director-General of the Post Office of India, arrived in Bombay from England towards the end of January, and very courteously consented to meet your Committee and confer with them on the whole subject. A meeting was accordingly held at the Chamber Office on Monday afternoon, the 30th idem, at which Mr. Monteath explained the reasons which led to the adoption of Monday as the day for the departure of the mail steamers from Bombay, and which in his view precluded the substitution of the alternative plan proposed by your Committee. After a lengthened discussion your Committee suggested that some points in doubt might be settled by a reference to the Postal authorities in England, and they proposed to do this by means of a memorial to the Postmaster General, which they would submit through Mr. Monteath in his capacity of Director-General of the Post Office of India.

A memorial to the Postmaster General, London, was accordingly prepared in February last, in which were set forth the principal reasons that weighed with the Chamber in praying for a Tuesday evening despatch of the mail from Bombay during the fair season, and forwarded to Mr. Monteath for transmission with such remarks as he might think fit to offer. A reply to the memorial was given in due course, addressed to the Director-General, by the Secretary to the London Post

Office, copy of which was supplied to the Chamber by Mr. Monteath, and published by your Committee in the Bombay papers. The reply was anything but satisfactory, for it evaded any answer to the leading points brought forward in the memorial; it was felt, however, that further correspondence would at present lead to no useful result. But the subject cannot be permitted to drop, and your Committee are of opinion that probably the best plan to pursue in order to effect the change so much desired, will be to endeavour to induce members of Parliament connected with India and the East to take up the subject at home.

Your Committee take this opportunity of expressing their acknowledgments to Mr. Monteath and Captain Henry,—to the former for arranging that letters should be received at the General Post Office till 5-30 P.M., and at the Pier Post Office till 6-30 P.M. on mail day; and to the latter for so promptly agreeing to detain the mail steamer till 7 P.M.

Your Committee also requested Mr. Monteath to arrange so that registered letters might be received at the General Post Office on mail day up to 3 P.M., or later if possible. This matter, however, was one of detail, that could only be settled by the Postmaster General, Bombay; and Mr. Macfarlan informed your Committee that no hour later than 2 P.M. could be allowed, without inconveniently affecting arrangements on mail day in the Bombay Post Office, and that hour has accordingly been fixed for the receipt of registered letters, since March last, for the fair season.—(*Appendix* P.)

THE PATTERN POST FROM INDIA TO THE CONTINENTAL STATES OF EUROPE.

It was brought to the notice of the Chamber that to several of the leading Continental States of Europe no pattern packet, weighing more than 8 oz., could be sent. Your Committee represented to the Postmaster General,

Bombay, that within the last three years there has been a rapid development in the direct trade in cotton between Bombay and certain states, particularly Austria, the German states, Italy, Switzerland and Russia, to which countries the abovementioned rule applies, that the custom of trade necessitates the sending of samples of cotton, that a sample weighing not more than 8 oz. was of very little use, and they represented the expediency of an alteration in the existing rules being made so as to permit of samples weighing from two to three lbs. being transmitted.

The Postmaster General, in reply, informed your Committee that no change in the present rules could be made without an alteration of the terms of the Postal Conventions with the countries abovementioned, and that it would take time of course before any such alteration could be effected. The Postmaster General further pointed out that it might facilitate matters if the correspondents of Bombay firms in those countries were to make representations to their respective Governments of a like character to that made by your Committee.

While this report, however, was passing through the press, a letter has been received from the Postmaster General, Bombay, handing the Chamber copy of a letter from the Director-General of the Indian Post Office, dated 18th inst., in which he mentions "that steps had already been taken for revising the limitations of weight of pattern packets for places abroad in accordance with alterations observed in the relations of the different countries with England." The Director-General further expresses his regret "that the limit of 8 oz. has to be maintained for so many of the countries mentioned by the Chamber, but he has addressed the English Post Office on the subject, asking it to endeavour to obtain some more concessions in respect of limits of weight for samples generally, or at any rate for samples of cotton." Of the list of countries

given by your Committee, the following are now set down, with higher limits of weight as follows:—

Denmark, through Italy.....	3 lbs.
Holland do.	5 lbs.
Italy.....	5 lbs.
Norway and Sweden, through Italy	5 lbs.
Switzerland.....	5 lbs.

Unfortunately, as abovementioned, the following countries, specially referred to in the letter from your Committee as important, viz., Austria, the German states, Russia, &c., are still confined to the limit of 8 oz., but it is to be hoped the representation so promptly made by the Director-General on this point to the London Post Office for further concessions may prove successful.—(*Appendix* Q.)

THE PROPOSED RAILWAY FROM CARWAR TO GUDDUCK.

The publication in the newspapers in May last, of a letter from the Government of India, in the Public Works Department, Railway, to H. M.'s Principal Secretary of State for India, dated 25th April 1872, recommending the construction of a railway from Carwar to Gudduck, principally on the ground that "this railway offered financially a better prospect of return than most of the undertakings about to be commenced," called the attention of the public to a question on which a majority of the members had expressed an opinion three years before, and your Committee were urged by various members to call a special general meeting, in order that the subject might be fully and freely discussed.

A meeting was accordingly convened for Wednesday, the 10th July, being the earliest day convenient for the members after the close of the busy season, which meeting, after a long discussion, was adjourned to the 15th idem, when after an animated debate the following resolution was put

to the meeting and carried with only two dissentient votes:—

"That in the opinion of this Chamber the estimates of traffic given in the correspondence on the Carwar Railway, published by Government, are founded on an incorrect basis, and cannot therefore be relied upon.

"Resolved, that the Committee of the Chamber be instructed to memorialize the Secretary of State for India to institute further enquiries regarding the correctness of these estimates of traffic, and the advisability of giving a preference to the construction of a railway from the Dharwar districts to a point of junction with the Great Indian Peninsula Railway."

In conformity with the instructions given in the foregoing resolution, a memorial was prepared and forwarded to H. M.'s Principal Secretary of State for India, through the Government of Bombay, to whom copies of the same, as also to the Government of India, were at the same time transmitted.

No formal answer has as yet been received to the memorial, but members are of course aware that an answer has practically been given by the appointment of a Committee at the request of the Government of India, which is now sitting at Poona, with instructions to take evidence and to report to Government as to the correctness or otherwise of the estimates for traffic on which an opinion favourable to the proposed railway on financial grounds was based.—(*Appendix* R.)

RAJPOOTANA RAILWAY PROJECTS—PROPOSED EXTENSION OF A LINE FROM AHMEDABAD TO DEESA.

Papers connected with a proposal laid before the Secretary of State for India by the Directors of the B. B. and C. I. Railway for a line from Ahmedabad to Deesa, and submitted for the information of the Chamber, induced your Committee

in February last to address Government again on the urgent need of a line of railway to connect Bombay, via Guzerat and Rajpootana, with Northern India. In reference to the Deesa extension, and the two alternative lines proposed, your Committee offered no opinion as to which of these should be adopted, that being a matter which would have to be settled on grounds on which Government only was competent to decide. But it was stated that should either of the proposed lines be sanctioned, and afterwards continued via Pali to Ajmere, such a line would go far to meet the commercial requirements of Bombay in reference to its trading relations with Rajpootana and Northern India.

Your Committee were informed by the Government of Bombay that their letter was forwarded to the Government of India, but this is the only information that has been received on the subject.

Your Committee are persuaded there is no line of railway so urgently required to meet the wants of the trade of Bombay with Northern India as a line of the character abovementioned. Members are of course aware that a State line is already in progress from Delhi to Ajmere, but what Bombay desiderates is that a line, from some point on the B. B. & C. I. Railway to join the other at Ajmere, should now—after the surveys, reports, and discussions of the last eight years—be sanctioned without further delay; and your Committee trust the Chamber will continue to press this question on the attention alike of the Government of Bombay and the Government of India till something is practically and speedily done.—(*Appendix* S.)

IMPORTATION OF BRANDY AND OTHER SPIRITS FROM DAMAUN INTO BRITISH TERRITORY.

The attention of your Committee was called by several members of the Chamber to the extensive importation of

brandy at Damaun and afterwards imported into British territory, by which the charges incurred on importation at Bombay were entirely evaded. It was pointed out to Government that the existence of such a trade not only defrauded the public revenue to a very large extent, but also placed the honest trader at a ruinous disadvantage. Government in reply stated, for the information of the Chamber, that the subject was occupying its attention as also that of the Government of India. Your Committee have been informed, that the measures taken by Government will have the effect of stopping the trade that has been so much complained of.—(*Appendix* T.)

NOTIFICATION REGARDING RECEIPT OF CURRENCY NOTES AT THE CUSTOM HOUSE.

A Notification issued under the orders of the Government of India, to the effect that on and after the 1st April 1872 currency notes of the value of Rs. 50 and upwards would not be received at the Treasury of the Bombay Custom House unless accompanied by a Memo. signed by the person presenting the same, showing the denomination, number, date, and circle of issue of each note, with formalities equally stringent in reference to payments made by the Custom House Treasury, was sent to the Chamber by the Deputy Commissioner of Customs, with a request that it might be made known to merchants generally having dealings with the Department.

The Notification in question seemed to your Committee so objectionable that they addressed Government on the subject, and pointed out that the enforcement of it would be productive of much inconvenience to merchants in the transaction of business with the Custom House. It was further pointed out that the notice was likely to have an injurious effect on the currency circulation; and that it seemed strange that the Government of India, at the time it was

inviting suggestions for giving increased facilities for the use of currency notes, should be resorting to an expedient that would have the effect of restricting the use of paper money in the transaction of business with an important public department.

A copy of the letter from your Committee was forwarded by the Bombay Government to the Government of India, and last month an intimation was received from the Deputy Commissioner of Customs to the effect that the Notification had been cancelled in obedience to instructions received from Government.—(*Appendix* U.)

GUMS AND RESINOUS PRODUCTS OF INDIA.

The Government of India, in the Department of Agriculture, Revenue, and Commerce, published towards the close of last year a valuable report on the gums and resinous products of India, being a collection of the reports received from the various local Governments and Administrations. Copies of the report were forwarded to the Chamber, with an intimation that specimens of the gums mentioned, of not less than 10 lbs. each, would also be sent, in order that the Chamber might be able to favour the department with an opinion of their marketable value. Various samples have been received from the different Administrations, and these your Committee are now forwarding to England in order to have them carefully examined and reported on by the principal brokers connected with this description of produce.—(*Appendix* V.)

A REVISED TONNAGE SCALE FOR STEAMERS AND TARIFF OF RATES FOR LANDING CARGO.

At the General Meeting of the members of the Chamber, held on 13th March last, a special committee was appoint-

ed to prepare a tariff of rates for landing cargo, and to submit the same for the consideration of the Chamber. At the same meeting it was further resolved that the question of a tonnage scale for steamers be referred for consideration and report to the Committee appointed to prepare a tariff of landing charges.

The Committee in question held many meetings for weighing and measuring produce, with a view to a revision of the old tonnage scale, and they have also agreed on a list of rates for landing the principal articles of import, and their report on both subjects will be submitted to the present meeting.—(*Appendix* W.)

MISCELLANEOUS.

Papers on various subjects connected with the trade of India and the East, that have been received by the Chamber during the past year, will be found in the Appendices to this Report.

The references that have been made to your Committee during their term of office, on questions affecting the mercantile and shipping interests of the port, have been numerous, and they were duly considered and disposed of in the usual manner.

The income for the past year has been about equal to the expenditure; the balance in favour of the Chamber in account with the New Bank of Bombay, Limited, on the 5th September, was Rs. 7,226-2-6.—(*Appendix* Y.)

Your Committee have now to tender their thanks to the members of the Chamber for their ready attention to all matters submitted for their consideration. Since the last Annual Meeting, your Committee have had to request the attendance of members at six Special General Meetings called to consider questions of great importance to the

trading interests of this part of India, and they have been gratified by the interest shown and the discussions that have taken place. In conclusion they have farther to express their acknowledgments to His Excellency the Governor of Bombay in Council for the courtesy and attention with which representations from the Chamber to Government have on all occasions been received.

Chamber of Commerce, Bombay,
28th September 1872.

APPENDIX A.

PORT TRUST FOR BOMBAY AND THE IMPROVEMENT OF THE ELPHINSTONE ESTATE.

BOMBAY CHAMBER OF COMMERCE, *25th October*, 1871.

To the SECRETARY to GOVERNMENT,
Public Works Department, Bombay.

SIR,—In reference to the letter from the Under-Secretary to Government, P. W. D., No. 1403 of 1871, dated 9th August idem, informing the Chamber that Government had under its careful consideration the future arrangements regarding the Harbour and Foreshore of Bombay, that it had been for some time in communication with the Government of India on the subject, and that the result would be made known to the Chamber of Commerce as soon as Government was in a position to do so.

I am directed by the Committee of Management to express their disappointment and regret that no communication should yet have been made to the Chamber on a question of so much importance, not only to those connected with the mercantile and shipping interests of the Port, but to all interested in the progress and prosperity of Bombay.

It is commonly stated and believed that a correspondence on the subject of the management of the Elphinstone Estate in connection with a proposed new Harbour Trust, has been going on between the Government of India and the Government of Bombay for the last eighteen months, but no information whatever has been made public, either as to the proposal of the Government of Bombay on the one hand, or the objections entertained (if any) to those proposals by the Government of India on the other.

The Committee of the Chamber desire respectfully to submit to His Excellency in Council that the mercantile community of Bombay have the deepest interest in the right settlement of this question, and it will have just cause of complaint if a decision is come to without any op-

portunity having been afforded for a public expression of opinion on the character of the Government scheme.

Should the instructions which the Government of Bombay may have received from the Government of India preclude His Excellency in Council from affording the information asked for, I am to request Government will be good enough to forward a copy of this letter to His Excellency the Governor-General in Council, in the hope that he may consent to meet the wishes of the Chamber.—I have, &c.,

JAMES TAYLOR, Secretary.

BOMBAY CASTLE, *8th December* 1871.

To the SECRETARY to the CHAMBER of COMMERCE.

SIR,—I have the honour to acknowledge the receipt of your letter of the 25th October last, in which you represent, on behalf of the Chamber of Commerce, that it is commonly stated and believed, that a correspondence on the subject of the management of the Elphinstone Estate, in connection with a proposed new Harbour Trust, has been going on between the Government of India and the Government of Bombay for the last eighteen months, but that no information whatever has been made public, either as to the proposals of the Government of Bombay on the one hand, or the objections (if any) to those proposals by the Government of India, on the other, and that the mercantile community of Bombay will have just cause of complaint if a decision is come to without any opportunity having been afforded of a public expression of opinion on the character of the Government scheme.

2. In reply, I am directed to inform you that the correspondence with the Government of India which has been in progress, and to which you probably allude, has reference to the arrangements between the two Governments, rendered necessary by the acquisition of the property of the late Elphinstone Company. It is necessary that these should be definitely settled before the plan of the proposed Port Trust can be matured, and, as soon as they have been finally completed, I am desired to say the public and the Chamber will have ample opportunity afforded them of considering the propositions which will then be put forward for

establishing a Port Trust on a sound basis and under legislative enactment.—I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secy. to Government, P. W. D.

No. 4 of 1872.

BOMBAY CHAMBER OF COMMERCE, 18*th January* 1872.

To the SECRETARY to the GOVERNMENT of INDIA,
Public Works Department, Calcutta.

SIR,—I have the honour, by direction of the Committee of Management of this Chamber, to forward herewith a Memorial to His Excellency the Right Honorable the Governor-General in Council in terms of the resolutions passed at a Public Meeting of the Merchants at Bombay, held on the 10th instant, praying that all information on the subject of the proposed Port Trust for Bombay may be made public without delay; also copy of the resolutions passed at the Meeting in question, and I am to request you will do the Committee the favour to place the Memorial and Resolutions before His Excellency the Viceroy in Council, for his favourable consideration, at your earliest convenience.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 5 of 1872.

BOMBAY, 18*th January* 1872.

To His Excellency the Right Hon'ble LORD MAYO, K.P., G.C.S.I., Viceroy and Governor-General of India in Council.

The Memorial of the Mercantile Community of Bombay, European and Native, in Public Meeting assembled at the Offices of the Bombay Chamber of Commerce on Wednesday, 10*th January* 1872.

RESPECTFULLY SHEWETH,—That the Government of Bombay, with the sanction of the Government of India and Her Majesty's Principal Secretary of State for India,

acquired by purchase the property of the Elphinstone Land and Press Company, in June 1870.

That this purchase was stated by the Hon'ble Colonel Kennedy, R. E., Secretary to the Government of Bombay in the Public Works Department, on the occasion of his introducing a Bill into the Council of the Governor of Bombay for making Laws and Regulations in September 1870, for levying Fees on the Government Wharves and Bunders —" to have been made solely in the interests of the trade of the Port" of Bombay.

That on the same occasion it was said that the Bill mentioned was merely intended as " a preliminary measure, in anticipation of a larger measure" to be afterwards brought forward, whereby the management of the Elphinstone property and the foreshore belonging to Government would be made over " to a Trust or suitably constituted body, which would have power, to raise fees for the payment of the interest on the capital which might have to be expended for the requirements of the property or the improvement of it."

That the Bill in question for the levy of fees, was passed in October 1870, received the assent of His Excellency the Governor-General of India on the 3rd February 1871, and came into operation as Bombay Act V. of 1870 on the 1st March 1871.

That under this Act, passed as a " preliminary measure," fees are now levied on all packages landed at Wharves and Bunders that were formerly free, while fees are also levied on personal effects and on every description of package in the hands of a passenger, on which no kind of charge was ever levied before.

That these fees on goods, and on the personal effects of passengers levied on Wharves and Bunders formerly free, have the effect of imposing new burdens on the trade of the Port, and have caused dissatisfaction in the mercantile community and amongst the public generally.

That your Memorialists refrained from addressing the Government of Bombay on the subject of these additional burdens on the trade of the Port, in the expectation that this Government would speedily make known to the public the character and constitution of the Trust which more than eighteen months ago, they expressed their intention to propose.

That your Memorialists have learnt with regret from the

Government of Bombay that they consider it necessary that the arrangements between the Government of India and the Government of Bombay should be definitely settled before the plan of the proposed Trust can be made public.

Your Memorialists are respectfully of opinion, that in a matter of so much importance to the trading interests of Bombay, it is expedient that the mercantile community should have an opportunity of expressing its views on the proposed scheme for a Trust before final arrangements are arrived at between the two Governments.

Your Memorialists therefore trust your Excellency in Council may be pleased to order that all particulars on the subject of this important question may now be laid before the public without further delay.

And your Memorialists as in duty bound will ever pray.
At the request and on behalf of the Memorialists.

W. G. HALL, Chairman,
Bombay Chamber of Commerce.

JAMES TAYLOR, Secretary,
Bombay Chamber of Commerce.

Extract of Proceedings at a Meeting of the Merchants of Bombay held at the offices of the Bombay Chamber of Commerce, Wednesday, 10th January 1872.

I. Proposed by Mr. Thomas Wilson (firm of Rennie, Scovell and Co.), seconded by Mr. James Macalister (firm of Messrs. Finlay, Muir and Co.), and carried—

"That in the opinion of this Meeting the delay, of nearly two years that has taken place, in preparing a comprehensive scheme for a Harbour and Port Trust for Bombay has been matter of regret to the trading and shipping interests of the Port.

"That from the correspondence which has been read, this Meeting regrets to infer that it is the intention of Government to come to a definite settlement of the question before ascertaining the views of the mercantile community thereon, it being inexpedi-

ent, in a matter of so much importance, that final arrangements between the Government of India and the Government of Bombay should be made without affording, that community an opportunity of expressing their views regarding the same."

II. Proposed by Mr. A. E. Ashley (London, Asiatic, and American Company), seconded by Mr. H. E. G. Tippet (Messrs. Grendon, Tippet and Co.)—

"That the Committee of the Chamber be requested, on behalf of this meeting, to submit the foregoing resolutions to the Government of India and the Government of Bombay, with a memorial to the former, praying that all particulars on the subject of the proposed scheme be placed before the mercantile public without delay."

[True Copy.]

JAMES TAYLOR, Secretary.

No. 6 of 1872.

BOMBAY CHAMBER OF COMMERCE, 18*th January* 1872.

To the SECRETARY to GOVERNMENT,

Public Works Department, Bombay.

SIR,—I have the honour, by direction of the Committee of the Chamber of Commerce, to forward herewith, for the information of Government, copy of the Resolutions passed at a Meeting of the Merchants of Bombay held at the Offices of the Chamber on the 10th instant, on the subject of the proposed Port Trust for Bombay: also copy of a memorial to the Government of India on the same subject, which has this day been transmitted to the Secretary to the Government of India in the Public Works Department, and I am to request you will be good enough to place these resolutions and the memorial before His Excellency the Right Hon'ble the Governor in Council at your earliest convenience.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 65 of 1872.

BOMBAY CHAMBER OF COMMERCE, *13th March* 1872.

To the SECRETARY to GOVERNMENT,
Public Works Department, Bombay.

SIR,—In reference to the accompanying printed copy of a letter from the Government of India in the Public Works Department, dated 6th instant, addressed to the Chamber regarding the memorial for information on the subject of the proposed Port Trust for Bombay, I have the honour, by direction of the Committee of Management, respectfully to request His Excellency in Council will now be good enough to favour them with the information asked for in the Memorial referred to.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 123 B—C.

FORT WILLIAM, *6th March* 1872.

To the SECRETARY to the BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed to acknowledge the receipt of a memorial, dated 18th January last, addressed by the merchants of Bombay to His Excellency the Governor-General in Council, praying that all information regarding the proposed Port Trust for Bombay may be made public without delay.

2. In reply, I am directed to state that the Government of Bombay has been addressed on the subject of the Memorial, and to refer you to that Government for a specific reply.—I have, &c.,

H. C. DICKENS, Colonel, R. A.,
Secretary to the Government of India, P. W. D.

No. 73 of 1872.

BOMBAY, *28th March* 1872.

JAMES TAYLOR, Esq., Secretary, Chamber of Commerce.

SIR,—With reference to your letter dated 13th

March, I have the honour to forward, for the information of the Chamber of Commerce, copies or extracts of correspondence between the Government of India and the Government of Bombay relative to the formation of a Port Trust for Bombay.—I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secretary to Government, P. W. D.

BOMBAY PORT TRUST.

Copies or Extracts of Correspondence between the Government of India and the Government of Bombay.

Letter from Colonel M. K. Kennedy, R. E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 78 E.—201 M., dated 1st February 1869.

I am directed once more to urge on the Government of India the advisability of taking such steps as may be necessary for acquiring the Elphinstone Land Company's estate, before that property is placed financially beyond the reach of Government.

2. It seems needless to recapitulate, in detail, the arguments which have been adduced in favour of the measure. Those arguments have been very fully gone into in my letter above referred to, and in the previous correspondence on the same subject, and there can, I am desired to say, in His Excellency in Council's opinion, be no doubt whatever that it would be greatly for the interest of the State, and for the benefit especially of the public of this city, to prevent this most valuable mercantile position remaining in the hands of a private Company. It is equally certain, His Excellency in Council believes, that this arrangement can now be effected on far easier terms that are likely again ever to offer.

3. I am directed to forward a copy of the last annual report of the Directors of the Elphinstone Land Company, and it will be seen from it how much the prospects of the Company have improved during the past year. Already they have a revenue which yields a return of 3 per cent. on the paid-up capital, and their business is increasing.

4. The overbridges across the line of Railway which cut off the estate from the town have lately been completed, and it seems certain that, with the revival of trade which may now shortly be calculated on, the earnings of the Company will be largely augmented.

5. During the year which ended on 30th June last, 848,445 tons of merchandize were carried over the various bunders in the present unfinished state, as compared with 546,214 tons during the previous year, and in the former year the dividend was, as stated, 3 per cent., as compared with 1½ per cent. in the two previous years.

6. But it is not alone on the grounds of the present or prospec-

tive value of the property that His Excellency in Council urges its acquisition; he does so because he believes that so very commanding and important a position on the foreshore of the Harbour should not be in private hands, inasmuch as it daily becomes more evident, as the works progress, that, if this estate be left in the possession of the Company, it will be equivalent to permitting them to retain a monopoly, which cannot fail to affect injuriously the interests of the enormous commerce now concentrating itself in this port. His Excellency in Council believes that the property may be obtained possession of not only without imposing any ultimate burden on the finances of the State, but with positive advantage to them, if the present opportunity be not permitted to slip away.

7. That, however, no time should be lost if it is intended to take any steps in the matter, is evident by the rise that has recently taken place in the value of the Company's shares, which, standing, at the date of my letter above referred to, at Rs. 505, are now quoted at Rs 775.*

8. The amount of capital expended on the works up to 30th June 1868 was about £1,540,000, and the sum required for their completion was estimated at £1,165,250, or, as before reported, about 2¾ millions sterling for the whole project, taking into consideration both past and prospective expenditure.

9. If the purchase money of the estate be calculated on the basis of the par value of the shares (and it is not likely it can be acquired for less by direct negotiation with the Company), it would be necessary to raise a loan of 1½ millions, which will doubtless be placed at 5 per cent., or less.

10. There would, according to the present state of the business of the Company, be an immediate return of 3 per cent., so that there would be an immediate burden of only 2 per cent., or less, and there can be little doubt that this would rapidly diminish, and, in a short time, altogether disappear.

11. For the completion of the work, as it would not be possible to depend upon the ordinary Public Works allotment, it would be necessary to raise a further loan of 1¼ millions; but this could be done by degrees, and with a fair prospect of the increase in the revenue keeping pace with the additional capital outlay.

12. As regards the administration of the estate if it be acquired by Government, His Excellency in Council would propose that it should be conducted by a Board of Trust, to be selected by Government, and to be composed of prominent public servants, and influential members of the mercantile community.

13. The Board would arrange to levy such fees as would be sufficient to pay the interest of the loan, and the cost of administration, and should it be thought advisable by the Government of India to do so, an arrangement might be made by which a portion of the receipts should be laid aside to form a sinking fund, and to secure a moderate additional revenue for the general improvement of the port.

14. It would also be advisable that the contiguous estate to be

* There has been a temporary fall in the last day or two. The quotation three or four days since was Rs. 810; beyond doubt the stock will again go up.

formed by the Moody Bay Reclamation, now in progress, should be administered by the same Board and for the same Trust.

15. For the completion and management of the work, His Excellency in Council would not, in the event of the estate being acquired by Government, propose to disturb the existing arrangements, which appear to work favourably. He would, therefore, retain the agency now employed.

16. It may be observed in reference to the actual value of the land on this property, that the rent actually received for portions of it, varying according to the locality, and to the purpose to which it is put, is from Rs. 3 to Rs. 6 per square yard per annum, or capitalized at 5 per cent., at from Rs. 60 to Rs. 120 per square yard, or nearly £30,000 to £60,000 per acre.

17. There can be no doubt whatever that the value of the land will increase greatly, and that, retaining the dock estate, Government would, if the property were in their hands, be able by degrees to dispose of a sufficient area of the land estate to enable them to pay off the loan, if it were desirable to do so, and still to retain possession of a property the ultimate value of which it would be difficult now to estimate.

18. His Excellency in Council would, therefore, beg for an early expression of the views of His Excellency the Governor-General in Council on this very important subject; and if they be generally in favour of the proposition now made, His Excellency in Council will submit a scheme in greater detail than is above sketched out. But he would urge on His Excellency the Governor-General in Council that it is most advisable at once to take practical steps for the actual purchase of the estate, subject to any arrangements that may hereafter be made for its administration and management. If this be not now done, so favourable an opportunity may not again offer.

Letter from Colonel Strachey, R.E., Secretary to the Government of India, in the Public Works Department, to the Secretary to the Government of Bombay, No. 354 C., dated 15th June 1869.

Your letter No. 201 M., dated 1st February last, repeating the proposals of the Bombay Government for the purchase of the Elphinstone Company's estate, has received the careful attention of His Excellency the Governor-General in Council, and has been the subject of a communication to Her Majesty's Secretary of State, whose assent to the arrangements under which the Government of India have advised acquiescence in the proposal of the Government of Bombay having now been received, I am to convey to His Excellency the Governor of Bombay in Council, the necessary authority for opening a negotiation with the managers of the Company, and settling the details of the arrangement to be come to with them, on the terms and conditions explained in the accompanying papers, to which I am directed to invite special attention.

2. The first of these documents is a copy of the letter addressed by His Excellency the Viceroy to the Secretary of State, and the

other is a copy of a memorandum sent with that letter, explaining the terms which the Government of India have thought proper to prescribe for determining the manner in which the payment for the Company's property is to be made, the maximum sum that may be given, and the system under which the property shall be managed, and the financial obligations resting on the Government, in consequence of the purchase, met.

3. The memorandum will, it is believed, explain fully the general wishes of the Government of India on the points above alluded to, but I am directed to add a few explanatory remarks which may facilitate the complete apprehension of the views of the Governor-General in Council, and serve to expedite the adoption of the final measures for giving effect to the proposals that have now been agreed to if the Company consent to a sale on the terms which the Government offer.

4. The object of the conversion of the purchase money into a Government stock is to obviate the necessity for going into the market to borrow, which would be attended with many inconveniences at the present time. This mode of receiving payment must be regarded as obligatory on the Company.

5. The constitution of the Board of Management, or Commissioners, is left entirely for the consideration of the Bombay Government, subject to the general conditions expressed in the memorandum. The essential matter is, that the Government shall have a complete financial control over their operations, and shall not be liable to be brought into collision with them by reasons of their being invested with powers which shall go beyond what is requisite to enable them satisfactorily to discharge all the needful executive duties of a managing body. They will, in fact, be an administrative Trust strictly subordinate to the Government in all essentials, but receiving ample powers for the proper performance of the business entrusted to them.

6. In this sense all details of the system of conducting the business of the Board may probably be best left to the discretion of the local Government, by which also would be regulated the accounts and returns to be kept and published, and the system of audit to be adopted. For purposes of financial control the agency of the Public Works Accounts Office would apparently be suitable and sufficient.

7. It would be the wish of the Government of India to place the local Government in the same general position as regards the sanction of expenditure on works carried out through the agency of the Board, as it holds in respect to Imperial outlay, that is, to delegate final authority in case of estimates amounting to 2 lakhs of rupees and under, beyond which sum the previous sanction of the Government of India would be required. The Government of Bombay would itself regulate the extent to which the Board would be authorized to incur expenditure within the limits above named.

8. The Government of India will be prepared to receive and consider favourably any proposal made by the Bombay Government relative to the fixing of salaries to be paid from the Trust funds.

9. It is contemplated by the Governor-General in Council, that the provisions of Clause 14 of the memorandum shall be held to signify that the Government of India will settle, in a fair and liberal spirit, the precise period over which the payment of the interest charged against the Trust shall be distributed, and when the repayment of the capital shall commence, and by what instalments it shall be made. His Excellency in Council will endeavour to secure an equitable distribution of the burden arising from the obligations imposed under this and the two following clauses, so that no undue charge shall be put upon the trade of Bombay in the earlier years of the operations of the Trust.

10. Under Clause 18, in like manner, it is to be understood that a similar adjustment of the instalment by which any debt incurred by the Trust subsequent to its constitution is to be discharged, may be made with the consent of the Government of India, the actual rate of interest being fixed as each case or occasion may require. The Government of India will exercise a discretion also as to all future loans, whether they shall be made in the open market, or be taken from the Government. In the latter case the Government will charge the Trust no more than the current rate of the day at which loans could be effected by the Government.

11. It will be understood that the decision as to the precise sum to be debited to the Trust in the accounts referred to in Clauses 6, 7, and 8, will be finally settled by the Government of India, on a consideration of the proposals on the subject which shall be made by the Bombay Government. A similar ultimate power of deciding all questions relating to financial operations, or claims, affecting the Board, will be exercised by the Government of India, in the same manner that it is exercised in respect to all matters affecting the public revenues.

12. The Governor-General does not doubt that His Excellency the Governor of Bombay in Council will readily assent to the propriety of a full financial control being placed in the hands of the Government of India in respect to all operations now contemplated. It will be wholly through the co-operation of the Government of India, and by aid of the general credit of the State, that financial arrangements on the great scale that will be necessary to accomplish the ends in view, will be rendered practicable; and it is the first duty of the Governor-General in Council, when affording such aid, to take every possible precaution to protect the public credit, and to guard against every risk, however remote it may now appear. It will be the constant wish of His Excellency the Governor General in Council so to deal with every question that arises in connection with these most important measures, as to facilitate the healthy development of all the conveniences and appliances which the commerce of Bombay so greatly requires; but the main condition to ensure success is that all the operations of the Board shall be conducted with extreme prudence, and on perfectly sound financial principles, and it is to guard, as completely as possible, against any departure from such a healthy course, that the Governor-General in Council deems it to be essential to retain in the hands of the Government of India the powers of control that have now

been explained, and that must be regarded as conditions from which the Government of India cannot recede.

13. I am, in conclusion, to request that the Governor of Bombay in Council will be so good (should the arrangements that have now been explained so far meet approval as to induce him to proceed at once to negotiate with the Company, and should his negotiations prove successful) as to cause a draft bill to be prepared, with a view to obtain legislative authority for such measures as he may deem suitable for constituting a Board of Trustees, or Commissioners, for the objects in view, and that, when such a draft is prepared, it may be submitted for the previous perusal of the Government of India in this Department.

Proposed Terms for the purchase by Government of the Estate and Rights of the Elphinstone Land Company at Bombay.

I.—The Bombay Government to be left to make the best terms possible with the Company for the surrender of the whole of its estate and rights, as secured under its agreement to the Government.

II.—The present value of the shares of the Company being about 11 per cent. discount, the purchase money should not exceed the par value of the Company's paid-up capital.

III.—The payment to the Company to be made by a conversion of the purchase money into debentures or stock of the Government of India at 4 per cent. reckoned at the current value of such stock at the time the purchase is settled.

IV.—The property, when purchased, to be handed over for administration to a Board of Management, to be constituted under a legislative enactment to be passed by the Bombay Legislature.

V.—The whole of the foreshore of the Bombay harbour, within limits thought desirable by the Bombay Government, and so far as it is the property of the Government, and all wharves, &c., the property of the Government within the same limits, excluding any portions specially required for public administrative purposes, also to be made over to the Board for administration.

VI.—The whole sum paid to the Elphinstone Company, with the costs attending the transfer, to be placed to the debit of the Board in an account with the Government.

VII.—A valuation to be made of all existing income now derived by the Government from the whole of the property thus transferred to the Board, and a capital sum, equivalent to such income reckoned at 20 years' purchase, also to be placed to the debit of the Board in the same account; thereafter all such income being received by the Board, instead of the Government.

VIII.—The whole of the outlay incurred by the Government, or from special Local funds, on the reclamation of land made over to the Board, or for works in progress in connection

with such reclamation, or for wharves or other conveniences so made over, from which income is not obtained, or for which a fair equivalent is not charged under the last clause, shall also be debited to the Board.

IX.—No account of expenditure under the last clause shall extend further back than the year 1850, and the sum debited to the Board on account of local fund outlay shall be paid by the Government to the credit of the fund from which it was originally supplied.

X.—The Board shall be vested with the right of levying wharfage and other fees and dues, and receiving rents, and so forth, on all the property thus made over to it, or hereafter acquired by it, and shall, on behalf of the Government, receive the wharfage on goods liable to the same passing the frontage of the Great Indian Peninsula Railway Station.

XI.—The Board shall be bound to provide, from the property made over to it, now belonging to the Elphinstone Company, any part thereof which the Government shall declare to be required for a public purpose, on the payment by the Government of a fair equivalent, having regard to the sum debited to the Board for such property, or on the cancelling by the Government of an equivaleut portion of the debt due by the Board for the same.

XII.—The same principle shall apply to all other property transferred to the Board, the sum to be paid by Government for land taken for public purposes being regulated by the debit made to the Board for such land; and if the land has been supplied without charge, the Board receiving no payment.

XIII.—If, however, any improvement has been made on land thus taken back by the Government at the cost of the Board the outlay by the Board, or a proportionate part thereof, shall be paid in addition. But the Board shall have no right to claim any other enhancement of price on any account whatever.

XIV.—The Board to be bound, under the Act which constitutes it, to pay to the Government interest on the whole sum debited in the manner above stated, at a rate to be fixed hereafter with the intention of causing the yearly interest on the whole amount, at the rate of 4½ per cent. per annum, together with the whole of the capital to be discharged in 30 years.

XV.—The Board, in like manner, shall be authorised and required to levy such rates on the shipping entering the Port of Bombay, or on goods landed or shipped there, as shall, in addition to the wharfage rates, fees, rents, and other income of the Board, and after paying all the necessary charges of the Board, suffice to supply the sum due to the Government under the last clause.

XVI.—The rates on shipping and goods levied under the preceding clause shall be adjusted, as nearly as possible, to make good any deficiency of the ordinary income of the Board, after deducting the necessary expenses of management, in

meeting the payments due to Government, but any residue remaining after such payments have been made, shall be applicable to the general purposes of the Board.

XVII.—For the further improvement of the foreshore of the Harbour of Bombay within the limits to be fixed as aforesaid, and for the construction of works and buildings and the provision of conveniences for the trade of the Port, the Board shall be empowered to borrow, from time to time, such sums as the Government shall approve, subject to any rules or orders as to the manner of so borrowing, as shall be approved by the Government of India.

XVIII.—The provisions for the discharge of interest and repayment of capital borrowed under the last clause, shall be similar to those described in clause 14, that is to say, all such debts shall be paid off in 30 years from the time of their being incurred, with interest, as fixed in each case from year to year.

XIX.—The powers given to the Board under Clauses 15 and 16 shall be applicable to meeting all liabilities on account of loans raised under Clause 17.

XX.—The Board shall be generally constituted on the basis of giving to the Government of Bombay a complete power of control over all its proceedings, and over the appointment and removal of all its members. The Governor of Bombay shall be able to exercise a power of veto in all the proceedings of the Board, and to require the Board to give effect to any instructions issued for its guidance.

XXI.—The Board will hold the property made over to it for administration as the Trustees of the Government, and the powers given to the Board, under the Act which constitutes it, should be so limited as to prevent the Board from taking up a position of hostility or opposition to the Government, or from attempting to exercise any rights, or make any claims in opposition to the orders or decisions of the Government.

XXII.—No lands assigned to the Board shall be sold, or alienated, or leased for a term exceeding 10 years, without the sanction of the Government of Bombay.

XXIII.—No powers of levying tolls, wharfage, or other fees, rents, rates, &c., shall be assigned by the Board to any other party without special sanction of the Government of Bombay.

Letter from Colonel M. K. Kennedy, R. E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 25 P., dated 28th July 1869.

I have the honour to acknowledge the receipt of your letter No. 354, dated the 15th June 1869, forwarding a draft of proposed terms for the purchase by Government of the estate and rights of the Elphinstone Land Company at Bombay, and am now directed

to report the proceedings this Government have taken to carry out the instructions of the Government of India.

2. On the receipt of the Government of India's telegram of the His Excellency in Council proceeded to Bombay, and he had an interview with the Directors of the Company on the morning of the 12th instant. At that meeting the question was discussed as regards preliminaries, and the general terms on which Government proposed to take over the property were stated.

3. It was believed, however, that unless the scope of the proposal was made generally known to the public, speculation would take place to the advantage of some of those who might become acquainted with the nature of the Government proposition, and the disadvantage of others who might be without sources of information; and further, that such speculation, in ignorance of the nature of the proposals of Government, might proceed to an extent, and so enhance the market value of the shares as to render an acceptance of them impossible. A letter was thereupon addressed to the Directors, and was sent immediately to the public press, in which the main condition of the purchase was stated, and an intimation that, beyond the price therein named, no advance would be made by Government. A copy of the letter is attached.

4. Up to the time, although doubtless there was a general feeling that Government contemplated acquiring the property, it was not known that any immediate action would be taken, or what the probable terms of the proposed purchase would be. On the morning of the 12th instant, shares stood at about Rs. 915 to Rs. 920, and the next day they rose from Rs. 960 to Rs. 970; they have since been quoted at Rs. 1,025 to Rs. 1,030, and many shares have changed hands at these high rates On the evening of the 12th instant the Directors addressed Government in a letter, a copy of which is attached. The questions then put led to the telegram from this Government to the Government of India, of the 13th instant, and on the receipt of the Government of India's telegram in reply, dated 18th instant, the Chairman of the Company, with the Company's Solicitor and the Government Solicitor, were summoned to Poona, and had an interview with His Excellency in Council on the morning of the 23rd instant.

5. At this meeting the question in its more important bearings was fully discussed, and under the advice of the Government Solicitor, a letter was drafted, and sent to the Company in reply to their reference of the 12th instant. This reply is in the general terms of the Government of India's telegram of the 18th instant, and a copy of it is attached. It will be observed from the last para. that Government are still without detailed information on some points which it will be necessary to examine carefully before the matter is finally settled. His Excellency in Council hopes, however, that no real difficulty will arise in settling the subsidiary and minor questions, if the main terms of the proposed purchase commend themselves to the shareholders.

6. A meeting of the shareholders took place on Saturday, the 24th instant, at which the correspondence between the Government and the Directors was laid before the shareholders by the Directors,

and though it was not competent for the meeting on this occasion to pass any formal resolution binding on the Company, an opinion was expressed by a large majority of the shareholders that the offer of Government should be accepted.

7. As regards the necessity of a second meeting to have a formal and binding resolution, I am directed to forward a copy of counsel's opinion, and to state that this opinion is concurred in by the Government Solicitor.

8. There was, however, an opposition by an uninfluential minority of shareholders, who considered the property to be worth more than was offered, and who took special objection to the pressure put upon the Company for an early decision.

9. This pressure was imposed in consequence of the definite instructions of the Government of India in this particular; but I am to say that, though any such delay as that suggested by the Directors to enable them to obtain fresh proxies from home, would, on many accounts, be objectionable, he is of opinion that an undue pressure on the Company might bear the appearance of an attempt to force on them the acceptance of the proposals of the Government and provoke a formidable, and possibly a successful, opposition. His Excellency in Council, therefore, while he will permit no unnecessary or exaggerated delay to take place, is prepared to allow of such reasonable time as they may require to consider the matters on which they have to decide.

Letter from Colonel J. S. Trevor, R. E., Acting Secretary to the Government of Bombay, P. W. D., to the Secretary to the Government of India, No. 139 A.—935, dated 3rd May 1870.

I am directed to report, for the information of the Government of India, that the property of the Elphinstone Land and Press Company, Limited, was taken over on the 30th ultimo, and that stock to the value of Rs. 1,70,13,391-2-26 has been created in the books of the Bombay Treasury, calculated at Rs. 93 value for every Rs. 100 of 4 per cent. Government Stock. A further sum will have to be paid to the Liquidators for expenses incurred by them during March and April 1870, as soon as the books of the Company are made up to 30th April 1870. The sum of 13 lakhs due by the Company to Government has been deducted from the amount of their admitted capital expenditure, and is not included in the sums for which credit has been given to the Liquidators in the Government Treasury books.

2. Interest on the 10 lakhs loan made in January 1868 has been recovered, up to the 30th April 1870, by the Accountant-General.

3. A copy of the accepted Balance Sheet to 31st March 1870 is transmitted for the information of the Government of India. Copies of the deeds will follow.

Letter from Lieut-Colonel J. S Trevor, R. E., Acting Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 91 A.—147, Local, dated 21st June 1870.

I am directed to submit, for the consideration of the Government

of India, a statement of the financial position of the new Harbour Trust to be constituted for the Port of Bombay, and to invite attention to certain adjustments, which, in the opinion of this Government, require to be made in the sums to be debited to that Trust on account of the properties to be handed over to it by Government.

2. It is proposed to place under the Trust the Harbour foreshore of the Island south of Sewree Fort; to vest in it all properties belonging to Government, bordering on that foreshore; and to transfer to it the control and management, from the present Harbour and Pilotage Board, of the lighting and pilotage of the Harbour of Bombay.

3. In their letter No. 354 C., of 15th June 1869, the Government of India desired that, in making up the accounts between Government and the new Trust, all expenditure incurred on works to be transferred, executed since 1850, should be debited in full to the Trust, and that, as regards works of older date, the net income derived from them should be capitalized at 5 per cent., and charged to the Trust.

4. Under these orders, the sums (partly estimated) to be carried to the debit of the new Trust will be as follows:—

Expenditure since 1850.

Harbour Defence Reclamation	Rs.	3,67,290
Kursara Bunder	,,	5,285
Elphinstone Land Company's Property, partly estimated	,,	1,86,13,391
Moody Bay Reclamation	,,	47,13,200
Apollo Bonded Warehouse	,,	5,50,000
Apollo Pier	,,	2,23,689
Reclamation between Dockyard and Arthur Bunder	,,	14,36,912
Custom House Godowns	,,	25,65
Gun Carriage Reclamation	,,	3,37,108
Prongs Lighthouse	,,	2,32,934
Extinction of mortgage on Clare and Carnac Bunders	,,	2,97,000
Estimated Grand Total	Rs.	2,68,01,974
Say	Rs.	2,68,00,00

5. The rental derived by Government from fish-ponds, small boat basins, lease of Tank Bunder, and ground rents of Reclamation Companies, is Rs. 3,990, say Rs. 4,000 per annum.

6. Besides this revenue, Government obtain the following sums from other sources, calculated on an average of three years:—

Cranage and Wharfage Fees, Custom House Bunder	Rs.	23,618
Rent of Warehouses (exclusive of Apollo Bonded Warehouse)	,,	3,923
Fees a Tank Bunder	,,	17,154
Frere Bunder Fees	,,	392
	Rs.	45,087
Deduct.		
Average annual charge for repairs to Custom House Bunder	,,	1,092
	Rs.	43,995
Say	Rs.	44,000

7. The total income of Government, at present, from the properties to be transferred is, therefore, about Rs. 48,000, say

Rs. 50,000 per annum, and the amount to be charged to the Port Trust on this account will be Rs. 10,00,000. Besides these two sums of Rs. 2,69.00,000, and Rs. 10 00,000, a further charge will have to be made against the future Port Trust Fund, for the debts now due by the Harbour and Pilotage Board to Government, and others. The debt due to Government on the 30th April 1870 was Rs. 1,68 659, but before the accounts for the Mazagon Pier are all settled, the debt will not be less than two lakhs of rupees.

8. The total sum, according to the foregoing account, on which interest will be payable, at 4½ per cent., from the 30th April 1870, will be about 281 lakhs of rupees. The interest on this amounts to Rs. 12,60,000. Besides this sum, interest has further to be paid on the expenditure now in progress, and a claim has been made by the Government of India for repayment of the capital advanced, by instalments extending over 30 years.

	Lakhs.
Disbursements for Works since 1850	268
Capitalized value of rentals of Property transferred to Trust	10
Debt due by existing Harbour Board	2
Total lakhs of Rupees	280

9. Before proceeding to state the means at the command of this Government to meet these demands, without resorting to additional taxation, I am directed to point out the adjustments that appear to be required in the charges, to put the Trust on an equitable footing between the local public and the Government of India.

10. The first and most important of these adjustments is in the price paid to the Elphinstone Land Company. The Government of India are aware that the consideration for which a right of reclamation on the foreshore was conceded to the Elphinstone Land Company, was the cession, free of charge, of 70 acres of the newly reclaimed land, for a station for the Great Indian Peninsula Railway Company. Over the ceded land the Company retained no right, but on the wharves given with the land they had a right to levy the same scale of wharfage dues on all goods not belonging to Government, or the Great Indian Peninsula Company, as they levied at their own bunders. This right was valued by them at 10 lakhs of Rupees, and the Government of India, in their letter No. 790 R. of 18th July 1868, agreed to pay that sum for its surrender. But the reclamation of the land given up to the Railway Company has cost, at the lowest estimate, Rs. 50 lakhs. Mr. Ormiston thinks 70 lakhs a closer approximation to the real cost, (*vide* page V. of this report of 10th August 1869); but, taking the lower sum, and deducting the value of the wharfage fees to be handed over to the future Trust by Government, it appears that a sum of 40 lakhs was paid to the Government of India for the portion of the foreshore of the Town that was sold to the Elphinstone Land Company.

11. When the policy was pursued of giving over the foreshore of the first Port in India to private persons, it was, of course, the duty of Government to make the best terms, in the interests of the public, for the land that was to be sold; but even then it would have been difficult to justify the application of the proceeds of these

sales to the provision of land on Imperial works like Railway stations, which in every other part of India have been paid for out of Imperial revenues. Now, however, that the former policy has been reversed, it can hardly be contended that the inhabitants of Bombay are to be taxed, to the extent of Rs. 1,80,000 every year, for the benefit of the general public of India, or that they should pay, as suggested, by instalments in 30 years, 40 lakhs of Rupees to the Government of India, for a portion of their own foreshore. This Government believe it is only necessary for them to draw attention to the injustice of this demand, to ensure its immediate remission by the Government of India.

12. But, for fear any hesitation should be felt, I am to point out, if the Government of India had adopted at Bombay, in the first instance, the policy they have, it is understood, consistently followed at Calcutta, *viz.*, to regard the foreshore of the harbour as the common property of the Town, to be jealously preserved from private claims, or encroachments, it would never have been even taken into contemplation, when a scheme was put forward to execute, at the common expense of the Town, works necessary to facilitate its daily expanding trade, that Government should demand, before permitting the works to be put in hand, from the Town, the construction, at its expense, of a series of other expensive works, which would have otherwise had to be constructed at the cost of the State, and over which, when completed, the Town would have no right of property or use. This, however, will be the precise position taken up in respect to the Town of Bombay, if the claim be persisted in to consider the whole expenditure in reclaiming the terminal goods station of the Great Indian Peninsula Railway a fair charge on the revenues to be derived by the collection of fees on goods landed at all the wharves in the Island.

13. The expenditure incurred in the reclamation of the ground for the station of the Baroda Company at the Gun Carriage premises, is shown as a charge against the future Port Trust. Part of this charge ought to be remitted, but as the charge is not large, and as the Trust will get some return on the outlay in wharfage fees, I am directed to draw attention to the matter, in the belief that it will meet with liberal consideration from the Government of India.

14. The second item to which this Government take objection is the large outlay for plant, &c., in connection with the Moody Bay works. This outlay has been as follows up to 30th April 1870:—

Tools	Rs.	12,768
Machinery	,,	1,00,207
Plant	,,	1,44,547
Flotilla	,,	14,14,094
Buildings	,,	1,77,953
Reserve Stock	,,	1,45,522
	Total Rs.	19,95,091

15. Much of this plant will be of no service to the future Trust, who will have the use of the plant, flotilla, &c., taken over from the Elphinstone Land Company.

16. I am directed to urge that the charge against the Trust for Moody Bay plant and workshops should be confined to the value attached in the books to the portion of that plant and flotilla that is actually taken over for the Trust.

17. The Government of India propose to levy from the Trust 4½ per cent. interest on the whole sum debited to it. It is understood that there is no intention, or desire, to make any profit by the arrangements for the formation of the Trust. But I am to point out that, if the scheme sketched out by the Government of India in their letter No. 354 C, is carried out in its integrity, the Government of India will be largely and immediately benefitted, at the cost of the local public of Bombay.

18. In the first place, the 4 per cent. paper issued in payment of the Elphinstone Land Company has been placed at Rs. 93, that is, Government have borrowed the money at 4·3 per cent. But the charge to the Trust is fixed at 4·5 per cent. This difference of ·2 per cent. is equal to a profit to Government of nearly Rs. 35,000 per annum on the 173 lakhs paid to the Company.

19. The second mode in which the Government of India will be gainers by the formation of the Trust, is that a large capital, which may be estimated at about 70 lakhs (if all the Moody Bay plant is to be made a charge on the Port Trust), sunk in works either not complete, or not hitherto productive, is to be made to bear interest by a charge on the trade of Bombay. This Government, I am directed to state, consider such a charge would be an unjust burden on the present trade of Bombay, which would be thus taxed for works whose benefits will not be experienced for some time. I am to request the Government of India to forego all claims to the immediate payment of interest on past expenditure on the Moody Bay Reclamation, the extension of the Apollo Bunder, and the construction of the Prongs Light-house. The money for these works, as well as for other works debited to the Bombay Special Fund, has been advanced by the Government of India, on the distinct understanding that the expenditure would not be immediately productive, and that the interest, in the interval, would be met from the general revenues of India. The fact of money having been lent by the Government of India for the purchase of the property of the Elphinstone Land Company, is no reason for departing from the understanding under which the expenditure already incurred has been advanced for works that are to be handed over to the future Trust. But His Excellency in Council does not desire to push his claim as regards past Government expenditure to the full extent to which, in his opinion, the new Trust has a legitimate right. He is ready, in consideration of the benefits that will be conferred on Bombay by the establishment of the Trust, to admit that the interest on all completed Government works to be transferred, such as the reclamation at the Gun Carriage premises, and between the Arthur Bunder and Dockyard, should be made a charge against the Trust. He thinks, too, that the Trust should pay interest on all money borrowed for completing the Government works handed over to it, but that, for the present, the amount should be carried to a sus-

pense account, and hereafter added to the capital on which interest will be payable when the works are completed. But in making these admissions, he considers he has gone as far as he is justified in going by the financial position of the Trust to be placed under his administration.

20. Upwards of 5 lakhs* have been already spent in making a basin and pier for the landing of troops and Government stores at Carnac Basin. A further outlay of probably as much more will be wanted to complete the works. Under their agreement with the Elphinstone Land Company, Government had a right to land their stores free of charge, but they paid a certain sum every year for the landing and embarkation of troops. It is suggested, considering the large expense being incurred at Carnac Basin, that Government should give up their privilege to land stores free, and should pay for them at the ordinary rates charged for private goods. The rates for troops ought also to be fixed at so much per head, instead of being, as at present, a rather complicated agreement, under which, in consideration of Government laying down a siding, of which the Elphinstone Land Company had the use, troops were permitted to embark and disembark at Carnac Bunder on the very moderate annual payment of Rs. 8,000 to the Company. The cost of the siding ought now to be debited to the Trust, and the charge for troops fixed at 1 Rupee per head, for all embarking, or disembarking, at Carnac Bunder.

* Rs. 5,34,582 to 30th April 1870.

21. In the course of the negotiations with the Elphinstone Land Company, it was found expedient to buy out the owner of the old Carnac and Clare Bunders. Government granted to this owner an annuity of Rs. 1,12,000, payable quarterly, taking an agreement, in return, from the Elphinstone Land Company, for payment to Government of the same sum* annually, in monthly instalments. But, in arranging this transaction, a debt of Rs. 4,23,532-0-7, due to Messrs. Sassoon, bearing 9 per cent. interest, and repayable by instalments of Rs. 50,000 a year, had to be settled by a cash payment. It was stipulated by Government, in return for making this payment, on behalf of the owner of the Clare and Carnac Bunders that his annuity should be subject to a reduction of Rs. 50,000 a year, till the 23rd January 1878, when it was calculated the debt to Government would be extinguished. The debt due to Government was reduced, on the 30th April last, to about Rs. 2,97,900. I am to ask that this sum be considered part of the capital debt of the Trust, and that, in future, the payments to Government under the agreement of January 1864 be fixed at the sum to be paid by Government to the annuitant. The effect of this arrangement is that the Trust will be relieved, till 1878, of the payment of Rs. 50,000 per annum less the interest at 4½ per cent., on the debt outstanding in the Government books on 30th April 1870; and that, from 23rd January 1878 it will

* The actual sum payable by the Elphinstone Land Company to Government is Rs. 1,13,285, there being some ground rents on the Bunders, payable to Government, which were taken over by the Company, in addition to the annuity to the former owner.

have to pay the Rs. 50,000, plus that interest, instead of Rs. 50,000 alone, as it would have to do under the present agreement.

22. It is considered advisable to vest the reclamation made for the workshops for the Harbour Defences in the future Trust; but while that reclamation is occupied by Government, it would not be fair to demand interest on the expenditure incurred on it, Rs. 3,67,290, and I am to request that this interest should be remitted. It will be years before the reclamation can be utilized for public purposes, and the reasons for asking it to be placed under the general charge of the Trust are, that when done with by Government, it may not fall into private hands.

23. I am also directed to ask that the sum of 13 lakhs now debited to the Trust on account of loans made to the Elphinstone Land Company, should be recovered by the Government of India by the issue of fresh 4 per cent. paper, at the current rate of the day. If this stock could be placed at 97 it would reduce the charge for interest on the future Trust by about Rs. 5,000 per annum.

24. Reverting now to the probable income to be derived from the properties to be handed over to the future Trust, I am to remark that the present gross receipts of the Elphinstone property are estimated at about 8 lakhs of Rupees, and the expenditure at about 3¼ lakhs, leaving a net income of 4¾ lakhs per annum.

25. The receipts of the Harbour and Pilotage Board range between 4 or 5 lakhs per annum; but the expenditure hitherto has closely approached, if not always exceeded, the receipts; with better management a net income of about 40,000 or 50,000 Rupees may be expected.

26. Besides these two great sources of revenue, there is the income of the property to be taken over from Government, referred to in the 6th para. of this letter, and the receipts for goods stored at the Apollo Bonded Warehouse, estimated at about Rs. 30,000 per annum.

Net receipts, Elphinstone Property.....	Rs.	4,75,000
Net receipts, from Pilotage and other Harbour Fees.....	,,	40,000
Receipts from Government Property to be taken over	,,	50,000
Receipts at Apollo Bonded Warehouse.	,,	30,000
Total...	Rs.	5,95,000
Say 6 lakhs of Rupees.		

27. The total net receipts that this Government may expect to have at their command, without resorting to increased taxation, to meet the charge of Rs. 12,65,000 for interest on capital outlay to 30th April 1870, may, therefore, be put down at about 6 lakhs of Rupees.

28. If the different proposals made in this letter meet with acceptance, the effect would be as follows:—

Saving of interest on the 40 lakhs paid by the Elphinstone Land Company for their portion of the foreshore	Rs	1,80,000
Estimated reduction of interest on account of plant not taken over from the Moody Bay works, say 15 lakhs worth	,,	67,500

Reduction on account of actual interest only being paid for the loan made for the purchase of the Elphinstone property, after deducting 40 lakhs of the purchase money	Rs.	27,000
Reduction on account of interest for works not finished, say on 37 lakhs of capital	,,	1,60,000
Probable additional receipts for landing troops and Government stores	,,	30,000
Reduction in payment to Government for annuity to late owner of Clare and Carnac Bunders	,,	50,000
Interest to be remitted for expenditure on Harbour Defence Reclamation	,,	16,500
Saving in interest by investment of the 13 lakhs loan to Elphinstone Land Company	,,	5,000
	Rs.	5,36,000
	Or say	5½ lakhs.

29. It will be perceived that, even after the admission of the reductions in capital and interest accounts to which this Government has a just claim, there will be still a deficiency of about a lakh and a half of Rupees on the sum required for the payment of interest on the capital debt. This deficiency, His Excellency in Council trusts, will be made good by the equalization of the fees on the Custom House and other bunders of the Government with the fees levied on the Elphinstone property, also by utilizing the completed reclamation between the Dockyard and Arthur Bunder.

Charge for interest of Capital expended to 30th April 1870	Rs.	12,60,000
Net Revenue	Rs. 6,00,000	
Deductions claimed by this Government	,, 5,25,000	
	,,	11,25,000
Net estimated deficiency, say	Rs.	1,50,000

30. The Government of India will observe that the equalization of the dues on the Custom House and other Government wharves with those levied on the Elphinstone property, imposes a considerable additional charge on local commerce, and His Excellency in Council does not believe that the Government of India will press on him immediately any measure of such a retrograde character as further heavy taxation, for the redemption of the capital debt of the Trust. He will not, therefore, for the present, take any such measure into consideration; but he will endeavour to ascertain in what manner sufficient funds can be raised, without hindrance to trade, for paying interest on the capital required to complete the Elphinstone and Moody Bay properties. It will be impossible for him, I am, however, directed to say, to submit any satisfactory proposal for raising these funds, until he is in possession of the views of the Government of India on the different points submitted for decision in this letter.

Extract from the Report of the Chief Engineer, Elphinstone Land and Press Company, to the Directors, dated 10th August 1869.

The works undertaken by the Company for Government have

been completed, and were formally taken over by a Resolution dated 27th May last. These works consist of 70 acres of newly-reclaimed bunders, raised 4 feet above high water of springs; 3,942 lineal feet of permanent wharf walls; and 875 lineal yards of double barrelled drain, 4 feet diameter, with a single branch, same size, 160 yards long.

These works were commenced in March 1862, and have been seven years in hand; the greater part of the reclamation, however, was handed over more than four years ago.

The Government work was that first undertaken, and having had to be pushed on with great rapidity, by night as well as by day, the cost was heavy as compared with what has been done for the Company. If, however, the whole from the commencement to the present date, be taken as one work, I estimate the Government portion to have cost fifty lakhs of Rupees. It is difficult to say exactly what it really did cost, but, so far as I can make out, it must have been 20 lakhs more. This may look a great difference, but when one has to deal with millions, a small saving in each unit mounts up to a large sum in the end: thus had the filling cost as much since, as it did five years ago, the works would have cost half a million sterling more on that account alone than they have done. The difference to the extent of about 15 per cent. is due to the fall in labour, and the balance to the usual result of the works being got better in hand as they progressed.

The estimate of fifty lakhs above referred to includes the value of the half of the original cost of the old Elphinstone Bunder, handed over to Government, and its rent capitalized.

Letter from Colonel Dickens, R.A., Secretary to the Government of India, in the Public Works Department, to the Secretary to the Government of Bombay, No. 125 B.—C., dated 1st April 1871.

I am directed to reply to Colonel Trevor's letter No. 91 A., dated 21st June 1870, relative to the position of the proposed Harbour Trust to be constituted to take charge of the property acquired from the Elphinstone Company, and generally to manage the improvement of the foreshore, and the supply of conveniences for the Port of Bombay.

2. The Government of India regret that so long a delay has taken place in conveying to His Excellency the Governor of Bombay in Council the conclusions arrived at on the proposals made in the letter under reply, but a reference has been necessary to the Financial Department, and the subject has become complicated by various suggestions and comments made by the Government of Bombay, which have made it difficult for the Government of India to deal with the question as promptly as was desirable.

3. I am, in the first place, directed to remark that the Governor-General in Council considers it essential for a proper settlement of the several points to be dealt with, to separate the matters relating to the Elphinstone property from those relating to the property improved by the Government from the sums charged to the Bombay

Special Fund, or otherwise, and from those relating to the existing Harbour Board.

4. The Elphinstone property has been acquired by the Government, and paid for by the creation of 4 per cent. stock to the amount of Rs. 1,70,13,391. Besides this sum, Rs. 10,00,000 had been advanced by the Government to the Company before the purchase, and a debt of Rs. 3,00,000 due by the Company was discharged by the Government, so that the total charge involved on the 30th April 1870, when the property was transferred, amounted to Rs. 1,83,13,391. To this has to be added a further sum of Rs. 3,00,000 advanced to carry on the work under the authority of the Government of India, No. 107, dated 16th March 1870, making the total amount outstanding Rs. 1,86,13,391. It is understood that some increase to the above amount has been caused by the expenditure that has been going on in the present financial year 1870-71, but the sum is not known, and it need not now be considered.

5. The purchase of this property was agreed to in the year 1869 by the Government of India, and the Secretary of State, on the proposals of the Government of Bombay, subject to certain conditions, which were conveyed to the Government of Bombay in Public Works Department letter No. 354 C., dated 15th June 1869. So far as the present questions are concerned, the essential conditions are those numbered 6 and 14, which declare that the whole sum paid to the Company, and the whole costs of transfer, are to be placed to the debit of the proposed Board of Management, and that 4½ per cent. interest is to be paid on this amount, and the whole of it re-paid to the Government of India in 30 years.

6. The Government of India, in sending to the Government of Bombay these conditions, explained, in para. 9 of the Despatch above mentioned, the spirit in which the 14th condition was proposed to be applied, and intimated that the Governor-General in Council would be ready to consider in a liberal spirit the precise manner in which the charge for interest should be made, and the time when the repayment of the capital should commence, and the amount of the instalments. The intention was plainly stated to be that no undue charge should be put on the trade of Bombay in the earlier years of the operations of the Trust, when of necessity the works would be incomplete, and their power of producing revenue not fully developed.

7. The reply of the Bombay Government to the Despatch already referred to contained no specific acceptance of the conditions laid down by the Government of India, but the Government of Bombay at once proceeded with the negotiation with the Elphinstone Company, and offered no objections to any of the conditions which the Governor-General in Council consequently considered, and still considers, to have been thus fully accepted and agreed to by His Excellency the Governor of Bombay in Council.

8. The Government of India, therefore, holds that, so far as the Government of Bombay is concerned, those conditions are in every particular binding, and His Excellency in Council, on a full re-consideration of the subject, is satisfied that they must be complied with so far as it is practicable, and if it is not practicable that the

Government of Bombay must explain how this arises, and how its acceptance of those conditions was originally given, if it had not the power or the intention of complying with them.

9. The Government of India thinks it necessary to be thus explicit on the subject of these conditions, on which alone the purchase of the Elphinstone property was agreed to, because there is an expression in the last para. of Colonel Trevor's letter under reply, which may be interpreted to signify that the Government of Bombay now thinks that it is not possible to pay off the capital debt as agreed to. It is said "His Excellency in Council" (the Government of Bombay) "does not believe that the Government of India will press on him immediately any measure of such a retrograde character, as further heavy taxation for the redemption of the capital debt of the Trust. He will not, therefore, take any such measure into consideration."

10. Further, inasmuch as the Government of India cannot recede from the conditions originally prescribed, and accepted, without comment by the Bombay Government, until it is shown that they cannot be carried into effect, I am directed to request that a specific explanation of the expressions which have been just noticed may be afforded to His Excellency the Governor-General in Council, with a precise statement of the intentions and expectations of the Government of Bombay in respect to this vital point, the re-payment of the capital debt. At the same time it will be convenient to take a general view of the financial prospects of the proposed Trust, and to indicate what means it is likely to have to discharge the interest due on the debt actually incurred, and to provide the interest on the new capital, that it is the desire of the Government of Bombay to apply to the completion and extension of the works now in progress. This review may contain any proposals for carrying out the conditions in such a manner as has been referred to in para. 6 of this Despatch.

11. I am to remark that Colonel Trevor's letter under reply does not furnish such a forecast of the probable income of the Trust, and probable demands on that income under the various heads of current expenses, interest on old debt, interest on new debt, and re-payment of instalments of capital, as is quite essential to place the Government of India in a position to understand completely its real financial position in relation to this undertaking. Considering the very large outlay that has already been incurred in this matter, and the grave doubts that now seem to be thrown on the possibility of the Government of Bombay meeting the liabilities in connexion with it, in the manner that was at first contemplated, the Government of Bombay will understand that the Governor-General in Council will find it very difficult to authorize any addition to the outlay for these objects, until the whole question is placed on a perfectly clear and satisfactory basis.

12. The Governor-General in Council, I am directed to observe, desires to draw the line very clearly between what is due to the Government of India under the conditions to which reference has above been made, and what the Government of India would desire to enforce, if it be proved that those conditions cannot be complied

with, otherwise than by placing objectionable burdens on the trade of Bombay. But if it be now found that conditions, without the acceptance of which the Government of India would assuredly not have assented to the purchase of the Elphinstone property, cannot be complied with, a serious responsibility rests on the Bombay Government for having placed the Government of India in the position of having sanctioned the creation of a permanent debt of more than 1¾ millions sterling, which, if the whole of the facts of the case had been fully represented the Governor-General in Council would not have done.

13. Under the circumstances above discussed, the Governor-General in Council thinks it inexpedient at the present time to deal finally with the specific proposals on some of the minor points noticed in Colonel Trevor's letter. But there are some of the suggestions which may now be disposed of.

14. The suggestions made in paras. 10 to 13, that a deduction of 40 lakhs should be made from the Trust debt, to represent the value of the reclaimed land made over to the Great Indian Peninsular Railway, cannot be entertained. The specific agreement was that the whole sum paid to the Elphinstone Company for their property, as it stood, should be placed to the debit of the Trust, and the manifest intention was that, so far as the property was concerned, the Trust should take the precise position of the Company with its liabilities and its income.

15. In paras. 17 and 18 reference is made to the charge of the interest, and a proposal is made that some reduction should be allowed, because the stock was issued at a rate that makes the actual interest charge less than 4½ per cent. Here again, I am to remark, that the condition accepted by the Bombay Government declared that interest at 4½ per cent. should be paid, and it must be done. The Government, even with this rate, will almost certainly make no profit on the transaction, considering the necessary outlay due to the establishments to control the public debt and the public accounts. A like remark applies to para. 23, which suggests a corresponding reduction of charge on another part of the debt.

16. With reference to para. 21, I am to observe that the Government of India considers the proper plan to follow in respect to the payments due on the Clare and Carnac Bunders to be that they should simply continue to be made, as heretofore, from the proceeds of the income of the Elphinstone property.

17. The Government of India has no objection to some reasonable charge being made, as proposed in para. 20, for landing troops and Government stores, but the precise amount cannot be settled without reference to the Military Department, for the information of which a precise proposal should be put forward, explaining exactly the present system, and what is intended for the future.

18. As to the estimate of the revenue now received by the Government, which will be transferred to the Trust, what is proposed seems suitable, and no comments seem necessary, excepting that the capital sum to be added to the Trust debt must be regulated by the extent to which the works from which this revenue is derived

are actually placed under the Trust, to which important point reference will be made hereafter.

19. I am likewise to remark that the Government of India will not, at the present time, mix up the affairs of the Harbour and Pilotage Board with those of the Trust, and all items relating to that Board should, therefore, be struck out of these calculations, including the cost of the Prongs Light-house and the debt of the Board. There is no necessary connexion between the two bodies, and until the status of the Trust is perfectly fixed, the Board had better remain on its existing basis, power being taken in any law that constitutes the Trust, to hand over to it, on suitable terms, the duties of the Harbour Board.

20. It remains for me to state the conclusions of the Governor-General in Council regarding that part of the Harbour frontage which is included in the Moody Bay works, and the various Government works on the Islands of Bombay and Colaba, which it is proposed to transfer to the Trust.

21. First, as to the land now occupied for the purposes of the Harbour Defences (para. 22), I am to remark that, until it is transferred to the Trust, there is no utility, but the contrary, in vesting the property in the Trust. No further question, therefore, need arise on this item till the time comes for such an actual transfer.

22. Next, as to the residue of the property, which is estimated to have cost the Government Rs. 72,91,359, I am to state that it was not the wish of the Governor-General in Council to compel the Trust to take any portion of it. So far as the Government of Bombay shall consider that the final and complete transfer of the property to the Trust will conduce to the benefit of the commerce of Bombay, and that it can be arranged on the conditions that have already been referred to, and which the Governor-General in Council regards to be strictly binding on the Government of India, as well as on the Government of Bombay, it may be made, but no pressure need be applied to effect such a transfer.

23. This part of the question, therefore, need not be regarded as any cause of difficulty in a financial sense. If the Bombay Government can comply with the conditions, the property may be transferred to the Trust; if not, it must continue to belong to the Government. The Governor-General in Council can see no reason whatever for abandoning, without return, property which has cost the State upwards of £700,000. At the same time it is fully admitted that the previous outlay on this property was incurred by the Government entirely at its own risk, and that any burden that now falls on the revenues of India by reason of such outlay, has not been occasioned, or in any degree effected, by the proposed formation of the Trust or by the purchase of the Elphinstone property. The Government of India, therefore, does not desire to shift the burden arising from its own expenditure on the Moody Bay, and other works of like character, upon the Trust, though it is not prepared to make over this property to the Trust without charge, or to permit any income derived thereform to be added to the sources of the Trust. Short of this, any reasonable suggestion will not be re-

jected, and if the Government of Bombay is able to suggest any practicable method of placing this property under the management of the Trust, either under a lease, the Trust paying a suitable rental for the land, and works proportioned to the actual income derived from them; or in any other shape, by which any special income derived from this part of the property shall be specifically assigned to discharge the interest on the outlay that has taken place on it, and eventually to discharge the capital, the Government of India will be prepared to consider it favourably.

24. As to the suggestion made in para. 19 of Colonel Trevor's letter, that "the Trust should pay interest on all money borrowed for completing the Government works handed over to it, but that for the present, the amount should be carried to a Suspense Account, and be hereafter added to the capital," it cannot be accepted under any circumstances. The whole intention of the conditions under which the Trust was declared to be liable for the payment of interest on the capital borrowed to carry out works under its direction, was to prevent the general revenues of India being in any way burdened by reason of this debt. This is an absolutely essential condition for any future advance of public money for such purposes as these, and under no circumstances can the Government of India assent to placing a charge on the revenues of the year on account of interest payable on money borrowed from the Trust.

Letter from Colonel M. K. Kennedy, R. E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 93A A.—188A, Local, dated 30th May 1871.

I have the honour to acknowledge the receipt of your letter No. 125 B. C., dated the 1st of April 1871, replying to letter from this office, No. 91 A., dated the 21st of June 1870, on the subject of the establishment of the proposed Harbour Trust in Bombay.

2. I am directed, first, to say, with reference to your 2nd para., that as His Excellency the Viceroy had forborne for so long a period to communicate to this Government his instructions on the propositions contained in Colonel Trever's No. 91 A.—147, dated 21st June 1870, His Excellency in Council hoped that those propositions had, in the main, been approved by the Government of India. It now appears, however, that this is not the case, and that the proposals made have, in hardly any instance, been accepted by the Government of India, and His Excellency in Council, therefore, shares with His Excellency the Viceroy in Council the regret that is expressed in your paragraph, that so long a delay should have occurred in communicating the views of the Government of India on the important subject treated of in your letter under reply.

3. I am also very earnestly to impress on the Government of India the enormous injury that must necessarily be inflicted upon the great interests at stake, if any undue delay is permitted to occur either in the completion of the works to a point that will render them productive, or in the arrangements that are necessary for the effi-

cient administration of the extensive property which the Government have acquired, and of which they only retain the management till a suitable machinery is devised and established, to undertake its direction. Adverting, also, to the recent decision of the Government of India, which was subsequently rescinded, to refuse funds for the further prosecution of the works, I am to point out that, short as the period was during which these orders, which necessitated an abrupt stoppage of operations, were in force, His Excellency in Council cannot doubt that considerable loss and ultimate delay were occasioned by the adoption of a course which was calculated to throw all the arrangements out of gear, and to disturb the calculations that had been made as respects the vigorous prosecution of the works needed to put the property in the best position to realize capital, and to earn revenue.

4. I am now directed to make the following observations, adhering to the order prescribed in your 3rd para. and dealing separately with—

1*st*—The Elphinstone property.
2*nd*—The properties on the foreshore owned by Government.
3*rd*—The Harbour Board.

5. It will be convenient, in reference to the Elphinstone property, first to consider the question of the repayment of the capital debt.

6. His Excellency in Council has never contested that the repayment of this debt was a condition stated by the Government of India when the negotiations for the purchase of the property were authorised; at the same time the Government of India fully recognised the difficulties that the new Trust would probably labour under at first, and voluntarily declared that no undue charge, or pressure, should be put on the trade of Bombay in the earlier years of the operation of the new arrangements. With this in view, the expression in the last para. of Colonel Trevor's letter, referred to in your para. 9, was intended to have this force only that, for the present His Excellency in Council did not see his way, without raising such fresh revenue as would unduly press on the trade of this Port, to make arrangements for commencing immediately to pay off the capital debt.

7. I am, therefore, instructed to state distinctly that he had no intention to repudiate the liability of the new Trust in this respect, for, in the interests of the trade itself, it is necessary that the capital debt should, at some time, be paid off; but at the present time, owing to the depressed state of commerce generally, which not only entails a falling off in Bunder revenue, but which precludes the hope of selling land at almost any sacrifice, it is not practicable to submit any definite scheme for the repayment of the debt, nor would it be desirable to heavily weight the commerce of the Port at a time when it is least able to bear an extra burden.

8. His Excellency in Council hopes, therefore, that this matter will not now be pressed on him, for it is one that is not practicable under present circumstances, and must be left for future arrangement. In the meantime, the Government of India has the security of the land, wharves, and buildings for its debt; and the land alone—of which there is available for sale hereafter about 450,000

square yards, exclusive of the dock estate—may be safely estimated at the moderate rate of Rs. 40 per square yard, to be prospectively worth Rs. 1,80,00,000, a sum equal to the whole of the amount of the capital debt for which stock has been issued by the Government of India on the purchase of the property. No steps have yet been taken to dispose of any of this property, because it is necessary, first, to complete it by the construction of roads and drains, and because it is a fact which must be well understood by the Government of India, that there is at present no market; but from the situation of the land, placed as it is in close proximity to, and directly between, the principal commercial quarter of the city, and the chief wharves and bunders, it cannot fail to command a high relative price, as soon as there is capital available for investment of this character. To argue to the contrary would be to uphold the view that this city has no commercial future, that its trade is not to expand, and that it is never to recover from the abnormal state of depression under which it now labours, in consequence of the reaction which has followed a season of violent over-stimulation.

9. In the course of a month or two, by which time the roads and drains will have been finished, and during the monsoon season, when money is usually more plentiful than it is at other periods of the year, opportunity will, however, be taken to feel the market by offering some plots of land for sale, and the result will be communicated to the Government of India; for I am to add, the Government of India cannot be more anxious to have the question of the extinguishment of the debt placed on a satisfactory footing than this Government is, and no efforts will in this respect be spared by His Excellency the Governor in Council short of proposals to raise by increased taxation a very large additional revenue, which, he is convinced from the great opposition such a measure would cause, it would be impracticable to carry out successfully.

10. The cost of the Elphinstone property has been as follows:—

4 per cent. Stock	Rs.	1,72,90,820
Government loan to Elphinstone Company	,,	13,00,000
Amount advanced by Government for prosecution of work up to end of 1870-71	,,	6,14,000
Total to 31st March 1871...	Rs.	1,92,94,820

11. Fully to complete the Elphinstone work according to the plan originally contemplated, further expenditure is roughly estimated as under:—

Musjid Basin	Rs.	12,00,000
Elphinstone Basin	,,	25,00,000
Dredging Channel and Basins	,,	18,00,000
Graving Dock	,,	6,00,000
Godowns	,,	3,00,000
Add 10 per cent. contingencies, say	,,	6,00,000
Total...	Rs.	70,00,000

12. It will be necessary, however, now to reconsider the whole scheme in the light of the arrangement which may eventually be

needed on the establishment of the Trust. Some considerable further expenditure will be required, in any case to render fully available what has been commenced; but it is hoped that the scheme, as originally devised, may be modified, so as to save or defer a large portion of the proposed outlay.

13. The estimated gross revenue of the Elphinstone estate is 7¾ lakhs, and the working expenses and other outgoings, including the payment on account of the Clare and Carnac Bunders, 3¼ lakhs, leaving a net income of 4½ lakhs, or rather or more than half the amount required to cover interest at 4½ per cent. on the outlay that has already been incurred.

14. It is not practicable, at present, very materially to increase this income, because it is, to a great extent, derived from bunder and wharfage fees, which cannot be levied at higher rates without driving the trade to private bunders, with which the Elphinstone property is already in active competition; but a considerable increase of revenue may be expected to follow on the revival of trade.

15. Your 14th para. deals briefly and summarily with the arguments adduced by this Government in respect to the land made over to the Great Indian Peninsula Railway Company by the Elphinstone Company. His Excellency in Council finds it difficult to add anything to the force of what appears to him to be conclusive reasons to show that the trade of the Port ought not, in fairness, to be taxed to pay for an Imperial Railway Station; but I am to add that His Excellency in Council still hopes that a reconsideration of the subject will convince His Excellency the Viceroy in Council that such an arrangement is not only inequitable, but is inconsistent with the object of the purchase of the property, which was very clearly indicated by Lord Mayo in his letter to the Secretary of State, dated 8th May 1869, as follows :—

> "Para. 6. The arrangement which is proposed by the Government of India limits the charge on the trade of Bombay to the sum necessary to meet the obligatory charges for interest and management, and will, for all time, relieve the commerce of the Port from the necessity of paying profit on capital invested, which, otherwise, it must certainly have been called on to meet.
>
> "Para. 7. Under good management, there should be every prospect of the charges on the trade of Bombay, in connection with the operations of the Board now proposed, being reduced to almost a nominal amount, and of future improvements and additions to the conveniences of the Harbour being carried out almost without any sensible burden being placed either on the public or on the trade.

16. The cost of providing land for a large terminal station of a railway under the Imperial guarantee, is a charge, in His Excellency the Governor in Council's opinion, which should clearly fall on the Imperial revenues, and it cannot be ruled that it should be paid for by the trade of a particular port, without, in His Excellency the Governor in Council's opinion, a departure from what is right in such a case, and without receding from the principles enunciated by the Government of India when authorizing the purchase of the property.

17. It is not even inequitable, in His Excellency's opinion, that,

looking to the importance of the Port of Bombay to the whole of British India, it should receive, as regards its wharfage arrangements, some contribution from the general public, and, though this is not now asked for, substantial aid can still be afforded by the assumption, by the Government of India, of a liability which, under ordinary circumstances, would be clearly and undeniably theirs. Further, the Government of India are not asked to assume the full liability for this land, the cost of which was estimated by Mr. Ormiston, the Engineer of the late Elphinstone Company, at 70 lakhs of Rupees; a relief of 40 lakhs only is sought, as His Excellency in Council is not desirous of requiring more assistance from the Government of India than the circumstances of the case render absolutely necessary.

18. Admitting that, according to the exact letter of the original sketch scheme, the Trust is liable to be debited with the whole sum paid for the Elphinstone property, it is still, as regards the Warree Bunder land, a question that is in the hands of the Government of India, and open to re-consideration and revision on its merits. It may reasonably be advanced that the position of the Government of India towards this Government, or towards a Trust established in the interests of the trade of the Port, is very different from that it occupied when dealing with a private Company. In the latter case it was, no doubt, proper to enter into a contract which would ensure a clear gain, and to make the best bargain practicable; but the circumstances are changed when the question is between the Government of India and this Government, both bound to act for the common interest, and to adjust the general and local burthens in a wise spirit of equity.

19. In this point of view it is wholly beside the question to urge that, in order to obtain the greatest possible advantage for the trade of the Port, and, it may be said, for India generally, this Government has shown itself willing to face a liability which, however great at the present moment, they might, it is to be hoped, be able to meet, in the course of years, from the means which, by the sale of property, may, from time to time, be at their disposal. That liability His Excellency in Council must accept if the Government of India are determined to make no concession in this respect; but the fact will still remain, that the land required for the great terminal station of the Railways converging on Bombay will have been acquired under this arrangement, not at the cost of the Government of India, or of the general revenues, on which alone the burden can properly, or equitably, be placed, but by the imposition of charges upon local trade, and that, until the capital sum has been defrayed, the interest thereon will have been extorted from the commerce of the City of Bombay.

20. These considerations are pressed on the Government of India, not as a claim which under the relations established between the two Governments by the proposals of the 15th June 1869, can be urged by this Government as a matter of right, but because His Excellency in Council believes that a common anxiety must be equally felt by both Governments, not only to give every advantage that can possibly be extended to the trade of the chief port of

Western India, and to the vast commerce which is daily flowing to it by the route of the Red Sea, but also to relieve those interests, as far as practicable, of a burden likely injuriously to affect them. In securing this, the Government of Bombay is not more interested than the Government of India; and while, on the one hand, the former Government has cheerfully and readily accepted every liability which a hopeful view of the future encouraged them to think they might be able ultimately to meet, His Excellency in Council trusts, that, on the other hand, the Government of India will, in a like spirit, refrain from availing themselves of such advantages as the peculiar circumstances of the case may have placed in their power, and that, in co-operating with the Local Government in carrying to a successful conclusion a scheme, which is not only of local, but also of great Imperial importance, the Government of India will relieve themselves from the exceptional position of having obtained an important property for Imperial purposes, at the cost of the local commerce.

21. In this spirit, as has already been suggested, the Government of India might, in addition to the other concessions asked for, well forego the claim they undoubtedly have under agreement to demand interest at 4½ per cent. upon the capital sum which they have obtained at little more than 4¼ per cent. It is true, as pointed out in your 15th para., that some charges will be incurred on account of establishment to control the public debt and public accounts, but His Excellency in Council cannot think that the outlay on this account will amount to so large a sum as Rs. 35,000 per annum; and though it is right that the charges referred to should be met, His Excellency in Council does not think the Port Trust should be called on to pay any profit to the general revenues on account of the capital sum advanced.

22. I am directed to press those points very strongly, for on them the success of the whole scheme, as now submitted to the Government of India, turns.

23. The properties belonging to Government on the foreshore, which have been constructed or improved by Government are as follows:—

			Expenditure to 31st March 1871.
1.	Harbour Defence Reclamation	Rs.	3,67,290
2.	Moody Bay Reclamation	„	45,93,389
3.	Apollo Pier Reclamation	„	3,49,628
4.	Reclamation between Dockyard and Arthur Bunder	„	14,36 912
5.	Gun Carriage Reclamation	„	3,65,441
6.	Apollo Bonded Warehouse	„	5,50 000
7.	Custom House Godowns	„	25,165
8.	Kussara Bunder	„	5,285
9.	Tank Bunder	„	41,190
10.	Capitalized value of income Government now get from Tank Bunder, Custom House Bunder, &c., say	„	10,00,000

24. No. 1 need not be considered now.

25. In your para. 23 it is stated that although the Government of India is not inclined to make over any of the properties free of charge, it does not desire to impose on the new Trust any burdens

which have been incurred at the risk of the State. This proposition, His Excellency in Council desires me to say, he is willing to accept, and, in doing so, he does not desire, for the present, to take over the properties Nos. 2 and 4, or the capital debt attached to them.

26. But the Government of India state that they will be willing to assent to any reasonable arrangement for placing these properties under the management of the Trust, and some such plan is needed; otherwise it might, and indeed would, certainly happen that the properties of the Trust and of Government would, to some extent, be in competition as regards the trade.

27. It is proposed, therefore, for the consideration of the Government of India, that the properties Nos. 2 and 4, the capital expenditure on which would not, for the present, be debited to the Trust, should be made over for management, only the Trust paying into the Imperial Treasury all income derived from them, less the cost of their management. The Trust should have, however, the power to purchase the properties as soon as they are prepared to pay 4½ per cent. on the capital value, and to arrange for the payment of the capital debts on terms similar to those which will be settled in reference to the Elphinstone Estate.

28. It may be remarked that the effect of this arrangement would be that the capabilities of the Government properties would not be fully developed by the Trust; but it is not the object of the Imperial Government to compete with the Trust, and His Excellency in Council is of opinion that this arrangement would very shortly end in the Trust acquiring the whole of the properties.

29. As regards Nos. 6, 7, and 10, the Government of India appear to concur with the proposal made in letter from this Government, No. 91 A.—147; and No. 9 is a new item that, it is desired, should be acquired by the Trust, and which was overlooked before.

30. The capital value of the work which the Trust would take over would, therefore, be—

Gun Carriage Reclamation	Rs.	3,65,441
Apollo Pier	,,	3,49,628
Apollo Bonded Warehouse	,,	5,50,000
Custom House Godowns	,,	25,165
Kussara Bunder	,,	5,285
Saw Mill Property at Tank Bunder	,,	41,190
Capitalized Income	,,	10,00,000
Total...	Rs.	23,36,709

And the income that would be derived, including that lately provided for by legislation, as far as can now be calculated, is as follows:—

Receipts from Government property	Rs.	50,000
Apollo Bonded Warehouse (net)	,,	30,000
Receipts under Act V...	,,	1,87,165
Total...	Rs.	2,67,165
Deduct—		
Expenditure of working Act V.	Rs.	30,000
Net Income	,,	2,37,165

31. In your para. 17 it is stated that the Government of India will not object to a reasonable charge being made for landing troops and Government stores, and a definite scheme is asked for.

The number of troops, including families, landed and embarked at Bombay in 1869-70, was 29,115 : and the imports of Government stores from England and elsewhere were 8 980 tons and 34,850 packages. The exports from Bombay were 17,912 packages.

This information has been obtained from the Quarter Master General, and from the Commissariat returns. At the rate of Re. 1 for each individual for the troops, and applying the average ordinary wharfage rates to the stores, the revenue to be derived from this source, on the above data, would be—

Troops...	Rs.	29,115
Stores	,,	11,417
Total ...	Rs.	40,532

32. I am also to ask the attention of the Government of India to another point on which it seems fair and equitable that the Trust should find relief, viz., as regards the Customs and Preventive Establishments on the Elphinstone property, which have hitherto been paid for by the Elphinstone Company.

33. When dealing with a private Company to which a concession was given it might not have been inequitable to stipulate that the Company should pay for such Imperial establishments as its operations might necessitate ; but as between the Imperial and Local Governments acting in concert, and a Trust established by those Governments, the case is widely different.

34. If the cost of the establishments on these bunders has to be met by increased charges on all ships entering the Port, or on goods, wherever they may be landed, such an arrangement is equivalent to an increased general charge to meet a proportion of the expense of the whole Customs Establishment in Bombay,—a proposal which would place the merchants of Bombay in a disadvantageous and unequal position as compared with those in other ports.

35. It seems clear that an exceptional arrangement, by which the cost of protecting purely Imperial revenue would be made to fall on the local trade of this Port, would be wholly unjustifiable, and should not be allowed to continue under the altered circumstances which have now arisen.

36. It is hoped that the Government of India will give this subject their careful consideration ; and as they have already admitted that, in the case of new bunders opened by the Trust, the cost of Preventive and Customs Establishments should be borne as Imperial charges, so they will not object to apply the same principle, which is equally correct as regards existing bunders, to the Customs charges on the Elphinstone estate, and thus render available a sum of Rs. 14,000 per annum to assist in meeting the interest on the debt.

37. The total capital account of the Trust up to the date of the

Transfer would, therefore, stand as follows, if the Warree Bunder deduction be made:—

Elphinstone property...	... Rs.	1,92,04,820
Government Properties taken over... ...	... ,,	23,36,709
Troop Siding	... ,,	39,790
	Total ... Rs.	2,15,81,319
Deduct:—		
On account of Warree Bunder land	... Rs. 40,00,000	
Amount advanced by Government for prosecution of work between date of transfer and close of 1870-71	,, 6,14,000	46,14,000
	Rs.	1,69,67,319

And the net income would be, say, Rs. 7,41,697, a sum so nearly sufficient to meet the interests on the debt due at the date of transfer, after deducting for Warree Bunder land, that an equilibrium may be fairly expected immediately on the development of the revenue which must follow the revival of trade.

Elphinstone Property	... Rs.	4,50,000
Government Properties ...	... ,,	2,37,165
Troops and Stores	... ,,	40,532
	Rs.	7,27,697
Customs Duties Establishment	... ,,	14,000
	Total ... Rs.	7,41,697

38. The Government of India, in your 19th para, say they will not at present complicate the question by any consideration of the affairs of the Harbour and Pilotage Board; but a consideration of the financial position, as well as the importance of placing the whole administration of the Port in the hands of one body, makes an amalgamation of these interests imperatively necessary.

39. Clause XV. of the proposed terms for the purchase of the Elphinstone property is as follows:—

> "That the Board shall, in like manner, be authorized to levy such rates on the shipping entering the Port, i. e., as shall, in addition to the wharfage fees, &c., suffice to supply the sum due under Clause XIV."

40. The present tonnage rates on shipping entering the Port are fixed on a moderate scale, and the cost of the Establishment for the Harbour and Pilotage Board is high.

41. In 1869-70 the receipts were as under:—

		Ordinary.	Extraordinary.
Port Dues	... Rs.	1,55,907	...
Measuring Fees	... ,,	4,657	...
Pilotage Fees...	... ,,	1,33,975	...
Pilot attendance Fees	... ,,	700	...
Transporting Fees	... ,,	21,430	..
Water Supply	... ,,	32,598	...
Rent	... ,,	1,725	..
Miscellaneous	... ,,	6,269	...
Salvage...	... ,,	1,210	...
Total	.. ,,	3,58,471	68,168

The expenditure was as under :—

		Ordinary.	Extraordinary.
Salaries, Master Attendant's Office	Rs.	85,135	...
Pensions ditto	,,	1,214	...
Stores ditto	,,	37,312	...
Miscellaneous	,,	27,022	...
Repairs to Lighthouse ...	,,	5,351	...
Pilotage Establishment ...	,,	1,16,896	...
Ditto Pension	,,	3,716	...
Ditto Miscellaneous ...	,,	705	...
Insurance, Pilot Schooner ..	,,	10,186	...
Total	,,	2,87,537	2,84,715
Add for contingencies ..	,,	25 000	
Total	,,	3,12,537	

leaving a net ordinary income of, say, Rs. 46,000. A reduction of about Rs. 24,000 could be made under the head of Expenditure, and the net income would, in this case, be—

Present Net Income	Rs.	46,000
Reduction in Establishment...	,,	24,000
Total... ...	Rs.	70,000

The sums to be added to the Capital Debt are—

Present Debt of Harbour Board, say	Rs.	2,00,000
Prongs Lighthouse	,,	3,59,000
Total.. ...	Rs.	5,59,000

The total capital account of the works to be taken over up to the commencement of the current year, and deducting 40 lakhs on account of Warree Bunder land, and Rs. 6,14,000 advanced by Government for the prosecution of the works subsequent to the transfer, will, therefore, to the end of the past official year, be :—

Elphinstone Property, Government do., and Troops Siding	Rs.	1,69,67,319
*Harbour Board	,,	5,59,000
Total...	Rs.	1 75.26 319

The revenue on which may be estimated as follows :—

Elphinstone Property	Rs.	4,50,000
Government Property	,,	2,37,165
Harbour Board	,,	70,000
Government Troops and Stores	,,	40,532
Customs Establishment	,,	14,000
Total...	Rs.	8,11,697

But interest at 4½ per cent. on Rs. 1.75.26,319 amounts to Rs. 7,88,684. The above sketch shows, therefore, a small surplus of above one-fourth of a lakh to work on.

42. The Government of India will thus observe that provision has been made for the payment of interest upon the amount of debt

created at the time of the transfer of the Elphinstone property, after deducting a portion of the value of the land acquired by the State for the great Railway Terminal Station at Warree Bunder, in respect of which the Imperial Government will otherwise pay nothing, the whole burden falling upon the trade of Bombay. Provision is also made for the payment of interest on the capital sum due on all the properties proposed to be taken over from the Imperial Government for transfer to the Trust, and a small but necessary balance is left to the credit of the Trust.

43. It remains now to notice your para. 24. His Excellency in Council is somewhat at a loss to understand the exact purport of the concluding sentence of this para.; but, from what he gathers to be the intention of the Government of India, he conceives that the proposal made by this Government has not been fully apprehended. His Excellency in Council did not propose to throw the slightest liability on the general revenues, either in respect to principal or interest, of the sums to be advanced by the Government of India for the completion of the works. His Excellency in Council proposed only that, as regards the interest accruing, from time to time, on these advances, it should be added to the principal, and be discharged hereafter from the proceeds of the sales of land, and from the surplus income of the Trust. The Government of India will note that in para. 11 *ante* it has been intimated that, to complete the works, a sum of 70 lakhs is needed; but it is believed that, by postponing the construction of the Elphinstone basin, and by carefully curtailing expenditure, the outlay may be reduced to about 50 lakhs, in addition to the amount already advanced, *i.e.*, about 6 lakhs; this sum of 56 lakhs would be required for expenditure within a further period of $2\frac{1}{3}$ years, or at the rate of 20 lakhs in each year. The interest thereupon, which it would be required to add to the capital, would be approximately about $3\frac{3}{4}$ lakhs. In my para. 40 it is stated that the rates at which port dues are collected are moderate, and His Excellency will not deny that it might be possible to increase them to such an extent as to cover the interest which it is proposed to add to the capital account; but His Excellency in Council desires to express, in the most emphatic terms, his repugnance to have recourse to this measure, for it would, if it were adopted, be justly said that an increased burden had been placed on the commerce of the Port, at a time when no increased facilities were given in return for the enhanced charges. Even if it were practicable, in the face of the opposition which would be raised to such a step by the whole mercantile community, to obtain powers by legislation for increasing these dues, His Excellency in Council would hesitate to propose a measure, the inexpediency of which, at the present moment, he would be the first to acknowledge. On the other hand, if the Government of India enable him, by an acceptance of the proposals which my letter contains, to carry out the great improvements which are contemplated with the promptitude and vigour he desires, he conceives that the mercantile community would readily recognize that, in return for the advantages which it would be in the power of the Government then to extend to them, charges might properly and legitimately

be imposed, which they would now unhesitatingly and unanimously reject. If His Excellency in Council is fortunate enough to induce the Government of India to accept these views, which, in his opinion, a regard to their own interests, considerations of equity, and the public welfare, should lead them to entertain, he looks forward with confidence to carrying out this great undertaking to a prosperous issue; but, to secure this, it is absolutely requisite that the works necessary for the completion of the scheme should be carried on vigorously, and without delay. It would be useless to look forward to an early extinction of the debt due to the Government of India, unless the value of the building land, which has been the chief basis of all the calculations that have been made as to the means by which the Trust can be maintained in an independent position, is quickly realized. Every additional hour that the capital expended on the works is left unproductive, adds to the burden which the trade of the port will have ultimately to meet; but, if the works are at once completed, to the extent contemplated in my para. 43, His Excellency in Council has no doubt that, in a much shorter time than is anticipated by the Government of India, the debt due to them will be so materially reduced as to render its extinction easy, and ensure the completion, in their full integrity, of the works needed for the accommodation of the trade of this great Port.

Letter from R. B. Chapman, Esq., Secretary to the Government of India, in the Financial Department, to the Secretary to the Government of Bombay, in the Public Works Department, No. 3372, dated 8th September 1871.

I am directed to communicate to you the orders of the Government of India upon your letters (Local) Nos. 93A and 188A, dated 30th May 1871, regarding the financial position of the proposed Harbour Trust of Bombay.

2. The proposal to purchase the property of the late Elphinstone Land and Press Company, and to form a public Trust for its management in the interests of the trade of Bombay, appears to have been first laid before the Supreme Government by your letters Nos. A and XXXIII., dated 13th June and 11th July 1867.

3. The Elphinstone Company was formed in 1858, commencing operations in October of that year. By an "agreement with the Government, the Company bound themselves to reclaim from the foreshore of the harbour an extent of 112 acres for the Government, the larger portion of which was assigned for a goods station to the Great Indian Peninsula Railway Company; and in consequence of reclaiming this large amount of ground for public purposes, obtained the right of reclaiming for themselves not less than 275 acres."*

* Minute by His Excellency the Governor, dated 6th June 1867, para. 14.

4. The reclamation for the Government was completed in 1867, and about the same time the Company applied to the Government to guarantee a loan to them of £600,000, to enable them to prosecute their operations.

5. The Government of Bombay, thereupon, represented to the Government of India the importance of taking the opportunity of purchasing the property of the Company for the State.

6. The case was thus stated by His Excellency the Governor in the Minute already quoted :—

"The recently recorded minutes of my colleagues, Mr. Erskine and Mr. Ellis, will show that there are several circumstances connected with the position and the claims of the Elphinstone Land Company, which, in the interest of the public, demand careful consideration.

"It is evident that, from the very position of the terminus assigned to the Great Indian Peninsula Railway, the Elphinstone Land Company will practically have the monopoly of the landing and shipping of the whole of the goods either brought to Bombay by the railway, or that which will be sent up-country to the districts by the railway, for inland consumption.

"Although the Railway Company have excess to the harbour from a wharf of their own, by the terms of the concession, the Elphinstone Land Company have a right to levy wharfage dues upon every bale or ton either landed or shipped from that wharf, except such as are for their own or Government use ; and the expense and trouble of landing or shipping goods elsewhere in the harbour, and transporting them to or from the terminus, will be so great as practically to preclude the adoption of such a course. It is true that Government possess a small quay of their own adjoining the railway, to which they may give the Company access; but its capacity and frontage to the harbour is far too small to meet the necessities of the traffic, even if it were entirely surrendered to the railway, which it would be impossible to do. The result is that the whole import and export trade of the districts in connection with the Great Indian Peninsula Railway may be said to be at the mercy of the Elphinstone Land Company, to be taxed by them according to their pleasure, and it is needless to say that they would, of course, be guided, in fixing their charges, by a regard to the profits of their shareholders, and not the interests of the public. The value of the dues leviable on the wharf belonging to the railway, is taken, when capitalized, at the sum of £400,000.

"The same may be said, though in a less degree, of the general trade that may be expected to pass over the wharves of the Elphinstone Land Company. Possessed of nearly three-fourths of a mile of frontage, to the harbour, with a dock estate so laid out as to give them between two and three miles of frontage, it is evident that they can accommodate, and, for a time at least almost monopolize, the entire foreign trade of Bombay. At some future period, docks or capacious basins may be constructed in the Government reclamation of Moody Bay, but, in the meantime the Company would be in possession of the trade, and it is doubtful whether, solely to reduce the charges and profits of the Company, the Government would be inclined to spend public money to provide additional accommodation for a trade which had already adequate accommodation elsewhere. I entirely agree with the objections stated by Mr. Erskine to the possession by a public Company that only looks to its own profits, of so large a portion of the harbour frontage, and whether looking to the position of the Great Indian Peninsula Railway, or the general trade of the port, the desirableness of re-gaining possession of the harbour foreshore, and placing the administration of the dock and wharf estate in the hands of a public Trust, seems to me to be evident. At the present moment, this can be done (there is reason to believe) on favourable terms, and the difficulties above pointed out may be got rid of ; while, on the other hand, if the opportunity be not taken, and the value of the monopoly enjoyed by the Company is ascertained—above all, if a season of commercial prosperity and speculation returns—it is clear that the same relief will not be obtained without a much larger sacrifice of public money."

7. The Government of Bombay was, at that time, anxious to place the Bombay and Baroda Railway terminus in the vicinity of that of the Great Indian Peninsula Railway ; and it was part of the project to provide land for this object from the Elphinstone Com-

pany's estate, retaining the Colaba site, already provided, available for military and other purposes.

As to the price to be paid, His Excellency the Governor wrote:—

"The amount required for the purchase would be large; but, looking to the present value of the stock of the Elphinstone Land Company, the length of time before the capital expended can become reproductive, and their inability to go on without the assistance of Government, to which conditions, which they would doubtless consider onerous, would probably be attached, I have little doubt the property can be purchased at a discount from the original outlay. But, in return, the Government would obtain the best site that could be selected for the terminus of an important railway, a site for the docks that would, while they were reproductive of revenue, accommodate at a moderate cost the trade of the port for years to come, and a present annual net income, increasing as the work advanced, of upwards of £30,000."

8. In your own memorandum, dated 6th July, which accompanied the papers at that time placed before the Government of India, you calculated that there would then remain 130 acres of land which you valued (at Rs. 100 a square yard) at £6,390,000; but the Government of India reduced this estimate to 75 acres, and this reduction was subsequently accepted, "for the sake of argument," by the Government of Bombay. *Paragraph* 12 *of your* No. 1052 C. W.—2832 M., *dated* 21*st December* 1867.)

9. The Government of India was opposed to the removal of the Bombay and Baroda Railway terminus from Colaba, and this proposal was subsequently abandoned.

10. As to the project of purchasing the Elphinstone Company's property the Governor-General in Council concluded that, if the entire estate were purchased at par, and the works completed, the Government would be involved in a probable outlay of not less than 2¾ millions sterling, and that the probable future sale of 75 acres on the Elphinstone property at high rates was a contingency so remote, and surrounded with such doubt, that any advantage to be derived from such a transaction could not be properly reckoned as of any sensible present importance to the State in weighing the arguments in favour of, and in opposition to, the purchase of the Elphinstone Company's estate. His Excellency in Council accordingly decided that the argument based upon a financial advantage had not been established, and proposed for the consideration of the Government of Bombay, rather to redeem the *wharfage* rights of the Company, which, it was supposed, could be obtained for a comparatively moderate sum.

11. The Government of Bombay, in your reply, 21st December 1867, No. 1052 C. W.—2832 M., deprecated this proposal as likely to involve a disproportionate expenditure compared with the complete purchase of the whole property, and urged again that immediate measures should be taken for buying the whole of the Elphinstone Land Company's estate, if procurable on the basis of a valuation not exceeding the par price of the shares paid up.

12. Estimating the whole cost at £2¾ millions sterling, it was calculated in your letter that the 75 acres of land available for sale (after providing 100 acres for the Bombay and Baroda Railway terminus) must be worth at any rate, at the very least, Rs. 75 a

square yard, or £2,722,500, which would alone very nearly cover the whole outlay.

13. The Government of Bombay accordingly proposed as follows :—

"A loan at 5 per cent., for the full amount of 2¾ millions should be sanctioned; of this sum, 160 lakhs should be raised at once for payment of the purchase money for, and immediate prosecution of, the works. The balance to be raised as from time to time it may be required by the state of the works.

"The interest of 80 lakhs, or one-half of the immediate loan, would be covered by the revenues now derived from the estate; and, as this revenue is steadily on the increase, and must continue to increase, in a rapid ratio, as the works progress towards completion, it is more than probable that the entire interest of the debt will, in the course of a few years, be covered.

"The capital of the debt would be, from time to time, reduced by the proceeds of the sale of land; and it will not be long before Government will be able to pay off the debt entirely, and find itself in possession of a residue of very valuable property. As the debt is by degrees cleared off, so also, in the interest of the commerce of the place the revenue derived from the estate should be curtailed, until, eventually, and at no distant period, the whole foreshore would be free."

14. The proposed removal of the Bombay and Baroda Railway Company's terminus from Colaba with which the discussion up to this point had been intimately connected, having been negatived by the Secretary of State, the Government of India contented itself in reply (*No.* 209 *A., dated 20th March* 1868,) with requesting that the views, which it had previously expressed, might be acted upon. But the Local Government did not apparently, at that time, pursue the subject.

15. In October 1868 (No. 1242 R.) the Government of India sanctioned the final purchase, for £100,000, of the wharfage rights of the Elphinstone Company on the foreshore of the land made over to the Great Indian Peninsula Railway, it being made a condition that this purchase-money should be considered a portion of any sum which it might be thereafter decided to pay to the Elphinstone Company for the purchase of the entire property, if such sum should be calculated on the amount of capital expended on the works, or on the market value of the shares.

16. The expediency of the purchase of the Elphinstone Company's property by the State was one of the matters to which the attention of His Excellency the Earl of Mayo was attracted on his visit to Bombay, before assuming the office of Viceroy, and by your No. 201 M., dated 1st February 1869, the measure was once more urged on the Government of India. There could, it was said, be no doubt whatever, in the opinion of the Government of Bombay, that it would be greatly for the interest of the State, and for the benefit especially of the public of Bombay, to prevent this most valuable mercantile position remaining in the hands of a Private Company.

17. Facts were set forth to show the increasing value and improved prospects of the property, and you continued (*paragraph* 6—

"But it is not alone on the grounds of the present or prospective value of the property that His Excellency in Council urges its acquisition; he does so because he believes that so very commanding and important a position on the foreshore of the harbour should not be in private hands, inasmuch as it daily becomes more evi-

dent, as the works progress, that if this estate be left in possession of the Company, it will be equivalent to permitting them to retain a monopoly which cannot fail to affect injuriously the interests of the enormous commerce now concentrating itself in this port His Excellency in Council believes that the property may be obtained possession of not only without imposing any ultimate burden on the finances of the State, but with positive advantage to them, if the present opportunity be not permitted to slip away."

18. The Government of Bombay proposed that the estate, if purchased, should be administered by a Board of Trust, to be selected by the Government, and to be composed of prominent public servants, and influential members of the mercantile community.

"The board," it was said, "would arrange to levy such fees as would be sufficient to pay the interest" at 5 per cent. "of the loan" (£2¾ millions), "and should it be thought advisable by the Government of India to do so, an arrangement might be made by which a portion of the receipts should be laid aside to form a sinking fund, and to secure a moderate additional revenue for the general improvement of the port."

19. The value of the land of the property available for sale was again calculated to be "£30,000 to £60,000 an acre," or (for the 175 acres available, according to former calculations, now that the terminus of the Baroda Railway was no longer to be placed on the property) no less than £5¼ to £10½ millions sterling: and it was added—

"There can be no doubt whatever that the value of the land will increase greatly; and that, retaining the dock estate, Government would, if the property were in their hands, be able, by degrees, to dispose of a sufficient area of the land estate to enable them to pay off the loan, if it were thought desirable to do so, and still to retain possession of a property, the ultimate value of which it would now be difficult to estimate."

20. The Government of India now cordially acceded to the recommendation of the Government of Bombay, and a despatch was addressed to the Secretary of State by His Excellency the Viceroy, on the 8th May 1869, stating the terms on which it was proposed to purchase the property, which were briefly as follows:—

The present financial position of the Government not to suffer. No addition to be made to the public outlay, and no reduction of the public income.

Purchase money (which should not exceed the par value of the Company's paid-up capital) to be paid in 4 per cent. Government Securities, valued at market rates.

A Board to be constituted to administer the entire property of the State on the foreshore of Bombay, so far as the Local Government should think desirable.

The Board to be debited with—

I.—The whole sum paid to the Elphinstone Company with costs of transfer;
II.—Twenty years' purchase of all State income now derived from the other property made over;
III.—The whole outlay of the Government, since 1850, upon all the other property not debited under under head II.

The Board to pay *on the whole sum so debited* interest at 4½ per cent., and to repay the whole in 30 years, levying such rates on shipping and goods as may be necessary for the purpose.

The Board to have power, with the consent of the Supreme Go-

vernment, to borrow, for future improvements, on the same terms.

21. The Secretary of State having consented to the measure, these conditions were communicated to the Government of Bombay by Colonel Strachey's No. 354 C, dated 4th June 1869, in which it was promised that the Government of India would settle, in a fair and liberal spirit, the precise period over which the payment of the interest charged against the Trust should be distributed, and when the re-payment of the capital should commence, and by what instalments it should be made. His Excellency in Council would endeavour, it was said, to secure an equitable distribution of the burden arising from the obligations imposed, so that no undue charge should be put on the trade of Bombay in the earlier years of the operation of the Trust; but it was added—

"It will be wholly through the co-operation of the Government of India, and by aid of the general credit of the State, that financial arrangements on the great scale that will be necessary to accomplish the ends in view, will be rendered practicable; and it is the first duty of the Governor-General in Council, when affording such aid, to take every possible precaution to protect the public credit, and to guard against every risk, however remote it may now appear. It will be the constant wish of His Excellency the Governor-General in Council so to deal with every question that arises in connection with these most important measures, as to facilitate the healthy development of all the conveniences and appliances which the commerce of Bombay so greatly requires; but the main condition to ensure success is that all the operations of the Board shall be conducted with extreme prudence, and on perfectly sound financial principles"

22. Accepting these conditions the Government of Bombay completed the purchase of the property in July 1869, the price paid being the actual contributions of the shareholders to date, *plus* £130,000 (*viz.* £100,000 referred to in paragraph 15, and £30,000 borrowed, or expended in anticipation of a call) the total being £1,859,160. Payment of the main sum was made in 4 per cent. Government Securities at 93 per cent., being about 2 per cent. below the market rate of the day.

23. The Government of India heard nothing more of the matter for nearly a year, until in Colonel Trevor's No. 91 A —147, dated 21st June, a statement was submitted of the financial position of the contemplated Harbour Trust. According to this statement, as subsequently corrected, the expenditure

since 1850 on the Government property to be made over was £773,439
and the capital value of the Government income to be transferred...£100,000
It was further proposed to debit to the Trust £72,993

on account of the debt of the Harbour Board, the expenditure on the Prongs Lighthouse, and the debt upon the Clare and Carnac Bunders.

24. The debt of the Trust to be recorded at the outset was thus, according to this statement, £2,805,592.

25. But the Government of India was now asked, for the first time, to relieve the Trust from sundry important liabilities as follows:—

1*st*.—To remit £400,000 of debt, being the estimated value of the land reclaimed by the Elphinstone Company, under its old agreement, for the Great Indian Peninsula Railway Terminal Station.

2*nd*.—To remit £150,000 from the expenditure on the Moody Bay Reclamation, being the estimated value of plant not wanted by the Trust.

3*rd*.—To reduce the rate of interest from 4½ per cent. to the actual rate paid, viz., 4·3 per cent.

4*th*.—To charge no interest on the expenditure on Government works not complete, estimated at £370,000.

5*th*.—To pay in full for landing troops and Government military stores, instead of a fixed sum, as heretofore.

26. If these and other minor propositions were accepted, it was calculated that the Trust would be relieved from £52,500 of the £126,250 which would otherwise be annually due from it in simple interest upon its starting debt alone. The balance could be made up, it was said, by equalizing the fees on the Government wharves with those levied on the Elphinstone property, and also by utilizing the completed reclamation between the Dockyard and Arthur Bunder.

27. For the rest, it was observed that the equalization of the dues on the Custom House and other Government wharves with those levied on the Elphinstone property, would impose a considerable additional charge on local commerce; and His Excellency in Council did not believe that the Government of India would press immediately any measure of such a retrograde character as further heavy taxation for the redemption of the capital debt of the Trust. He would not, therefore, for the present, take any such measure into consideration, but would endeavour to ascertain in what manner sufficient funds could be raised, without hindrance to trade for paying interest on the capital required to complete the Elphinstone and Moody Bay properties.

28. The Governor-General in Council was surprised and disappointed by this communication, which differed so very widely, in spirit and in fact, from the representations upon which the purchase of the Elphinstone estate at a very heavy cost had been authorised. In Colonel Strachey's letter No. 125 B. C., dated 1st April last, this disappointment was plainly indicated: and the concession asked for in relaxation of the terms upon which the Government of India had assented to the purchase of the property in 1869 were, for the most part, refused. It was explained, however, that the Government of India would desire to enforce no condition which involved objectionable burdens on the trade of Bombay; but that if it were found that conditions, without the acceptance of which the Government of India would assuredly not have assented to the purchase of the Elphinstone property, could not be complied with, a serious responsibility would rest on the Government of Bombay.

Especially, the Government of India required a precise statement of the intentions and expectations of the Government of Bombay in respect to the vital point of the re-payment of the capital debt.

29. In regard to the Government property other than that bought from the Elphinstone Company, the Governor-General in Council expressed his willingness to postpone its transfer to the Trust, until the conditions prescribed regarding it could be complied with.

30. The foregoing is a resumé of the whole correspondence pre-

ceding your letter No. 93A A—188A, dated 30th May, to which a reply has now to be given.

31. You explain that the Government of Bombay has no desire to repudiate the liability of the Trust for the repayment of the capital expended in the purchase of the Elphinstone estate; but that it is not practicable to provide for this until the land can be sold. This land is now estimated to be worth "at a moderate rate" Rs. 40 the square yard, or £19,360 an acre, being only two-fifths of the value estimated by you in 1867, and not half of the average of that stated in 1869; and its area is stated to be 93 acres only, exclusive of the dock estate, which, from the correspondence of 1867, should contain 42 acres available for sale. It should be explained why the land on the dock estate is now excluded from consideration, and what is become of the balance of the 175 acres which should be available on the whole, according to the correspondence of 1867. According to your own memorandum of that time, the available area should even be 230 acres.

32. The Government of India has no option but to assent to the proposal of the Government of Bombay, that all attempt to redeem the capital debt upon the estate should be intermitted for the present. But this indispensable object must never be lost sight of: until it is accomplished, no land must be sold or permanently let, nor must any surplus revenue be devoted to any other purpose without the sanction of the Supreme Government.

33. In your 18th paragraph you state the cost of the Elphinstone Company's property to be £1,920,482. According to the accounts, so far as they have been completed, the value of the four per cent. stock issued was £1,729,160, and the amount advanced for works to the end of 1870-71 was £71,122, to which must be added a considerable sum spent during the current year, together with a sum due for interest, which amounted on the 31st March to £41,029.

34. So that, with the £130,000 referred to in paragraph 22, the capital debt on the estate proper must thus, by this time, be substantially in excess of £2,000,000.

35. The Government of India must finally decline to accede to the demand made by the Government of Bombay, for the reduction of this sum by £400,000, being the estimated cost of the reclamation of the Warree Bunder land. In the former letter of the Government of India the arguments contained in Colonel Trevor's letter upon the subject were not noticed in detail, because they were not considered relevant to the issue raised. The arrangement by which these lands were obtained for the State without a direct money payment, was made at least eight years before the purchase of the Elphinstone Company's estate; and the greater part of the land had been actually reclaimed, and handed over to Government four years before that event.

36. If the Government of Bombay considered that, in purchasing the Elphinstone Company's property, it would be proper to cancel this arrangement at a cost, to the State, of £400,000, this should have been clearly set forth when the purchase was proposed to the Government of India. Had this been done, it is certain

that the Governor-General in Council would not for a moment have listened to the proposal; and he must finally decline now even to discuss a suggestion so entirely opposed to the first principles of the conditions upon which the Elphinstone Company's estate was purchased.

37. There is one item, however, from which the Government of India is willing to relieve the proposed Trust. The sum of £100,000 was paid to the Elphinstone Company in 1868 for the surrender of all claims to levy wharfage fees on the railway frontage. You state in your telegram, dated the 30th August, that it is not intended that the Trust should levy wharfage dues on merchandise landed on the Great Indian Peninsula Railway wharf. The Government of India will accordingly write off, in the accounts of 1870-71, the £100,000 paid to the Elphinstone Company as a charge for "Railway Land," and remit that amount of the capital debt upon the property. It is understood that wharfage dues will be levied on the Railway wharf, for the benefit of the Imperial revenue, at the rates levied elsewhere by the Trust.

38. The claim pressed in your 21st paragraph, for a reduction of the rate of interest to 4·3 per cent., does not consist with the conditions accepted by the Government of Bombay in 186[illegible] The Govern-
ment of India is, however, most anxious to assist th
proposed Trust by every concession that is legitim
It would be inconvenient to allow a new and speci
of interest on this particular debt: but the rate
to 4 per cent. for ten years. This concession is
value to that which is asked for, and it may be
years hence, the revenues of the Trust may ad
additional burden that will then fall upon them.

39. The Government properties detailed in you
may be transferred to the new Trust, with the follo
which you propose, *viz.*—No. 1, Harbour Defen
(which will continue under the management of th
Public Works [illegible] the present); and Nos. 2 and 4,
in Moody Bethend between the Dockyard and
which may be made over to the Trust for managen
proposed in your 27th paragraph, the proceeds
for a period of ten years, surrendered entirely to
the rate of interest to be paid, when the Trust bu
must be 4½ and not 4⅓ per cent.; and the arrange
tioned must be open to re-consideration at the end [illegible]rs.

40. The Government of India are willing, as requested in your 31st to the 36th paragraphs, to bear the whole charge of Customs and Preventive Establishments on the Trust property; and, subject to the assent of the Military Department, to pay the full landing charge for troops and stores.

41. The revenue of the Harbour and Pilotage Board may likewise, as requested in your 41st paragraph, be transferred to the new Trust; and the Government of India is further pleased to decide that the debt of the Harbour Board, estimated to be £20,000, shall be written off finally as a Marine charge in the accounts of 1870-71; and that neither this item, nor the £35,900 stated to be

the cost of the Prongs Lighthouse, shall be debited to the proposed Trust. Moreover, the Government of India is willing that no interest shall be charged on £133,670, being the cost of several works to be taken over as detailed in your paragraph 34. But this sum will be charged to the Trust as capital bearing interest, and must be repaid in due time. These settlements will leave the capital of the Trust, and the interest payable on it, approximately as follows—(the exact figures shall be settled as soon as they are settled):—

	£
Debt as stated in paragraph 34, reduced by £100,000 on account of Railway wharfage rights	1,90
Value of Government property transferred, including Troop Siding	23
Bearing interest	103,980
Not bearing interest	133,670
Total...	2,127

42. To meet this interest, the Government of Bom estimated income of £81,170, which is perhaps £800 that amount is already paid for Government troop But even so, the income will be sufficient to cover the

43. It remains only to consider by what means th funds can be provided for completing the works on th perty. This important question will doubtless receive ate attention of the Government of Bombay. The of India is surprised to find it alleged in your 14th pa startling contrast with the statements made in the ear pondence, that the income from wharfage fees cann materially increased without driving the trade to privat with which the Elphinstone property is already in activ tion. It is not understood how the Trust, which will be sion of the entire foreshore from Mazagon to Colaba can to any effective competition.

44. It was stated not long ago by the Liverpool Sh Association that the average disbursements of a ship at may be estimated at 22s. 6d. to 25s. per ton register, wh at Bombay may be put down at 10s.

The port dues in Calcutta are four annas a ton, while in they are only two annas.

On the whole, there seems no reason to doubt that the Port can, without serious difficulty, provide revenue sufficient to cover the interest on all the capital that will be required to complete the outfit of the Trust property; especially as, if the expectations of the Government of Bombay are, even in a small degree, fulfilled, the burden will be only temporary.

45. The Government of India will be prepared to advance funds for the further expenditure required to complete the works (which should be, in the first instance, on the most economical possible scale) as soon as the income of the Trust is sufficient to bear the interest on such advances at 4½ per cent. per annum. But, until

this is done, the Governor-General in Council cannot consent to the advance of any public money in excess of the amount already sanctioned, except so such as is absolutely necessary to prevent the dispersion of the establishments.

46. In making the concessions now communicated, the Government of India has acted in accordance with its expressed purpose to show liberal consideration for the interests of the trade of Bombay. Having regard to the actually existing facts, it has not appeared to the Governor-General in Council possible to grant less relief to the proposed Trust than has now been done. His Excellency in Council had not, however, been led by the Government of Bombay, to expect that any such concessions would be necessary. If the state of the case, as now presented by the Government of Bombay, had been set before the Government of India at the first, it is not probable that the purchase of the estate would have been authorised at all.

47. It is hoped, however, that the measures now sanctioned will suffice to enable the Government of Bombay to organize the Trust at once, on a completely efficient footing; and the Governor-General in Council will be glad to learn that the Government of Bombay is prepared immediately to introduce a measure into the Local Legislative Council to give effect to these orders. It would be desirable that the draft of the measure should be submitted for the approval of the Government of India before it is introduced into the Legislative Council. When such a measure is passed, and approved by the Government of India, the funds necessary for the economical completion of the works will be placed at the disposal of the Trust.

48. It is to be distinctly understood that nothing in this letter is to be read as modifying any of the conditions appended to Colonel Strachey's letter No. 354 C., dated 15th June 1869, except those specifically referred to, and relaxed.

Letter from Colonel M. K. Kennedy, R.E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No 179 A—369, Local, dated 21st October 1871.

I have the honour to acknowledge your letter No. 3372, of the 8th ultimo, on the subject of the proposed Bombay Port Trust, and the financial arrangements consequent on the purchase of the Elphinstone property.

2. Your paras. 1 to 30 contain a resumé of the correspondence and proceedings in respect to these negotiations up to the date of my letter No. 93 A—188, of the 30th of May last, and it is the remaining portion of your communication with which it is now necessary to deal.

3. With regard to your 31st para., I am to explain that the price at which the land was estimated in my letter you refer to was assumed as a minimum or safe basis of calculation, that other estimates were formed at different periods, and that nothing

but actual trial, at properly selected times, and under well considered conditions of markets, can demonstrate what the real value of the property is.

4. Such an experiment is about to be made, and notice has already been issued that, immediately after the next Dewali, a period at which native capitalists usually make investments, a few plots, amounting in all to about 4 acres, will be offered for sale by public competition, the Government being in the meantime prepared to receive private offers.

5. Owing to recent commercial depression, the present is not, His Excellency in Council admits, a very favourable opportunity for placing the land upon the market, but it is believed that money will be readily forthcoming for advantageous investments, as was shown by the readiness with which the late French loan was taken up in Bombay; at all events, it is desirable to test the market, and to make a commencement in obtaining funds with which to repay the capital that has been expended in acquiring the property.

6. Unless the demand should prove greater than is anticipated, however, only the small area above mentioned will now be offered, and the plots in question will not be disposed of unless a reserved price is reached: whatever is realized will be carried to the credit of the Capital Account, and the result will be made known to the Government of India.

7. In reference to the quantity of land that is available for disposal, and the area that has been stated at various times, I am to say that, in the unfinished condition of the property, it has been very difficult to determine accurately what would be available on the completion of the undertaking.

8. The area of roads to be laid out in the estate, the area of water space, as well as of the wharves and bunders on the Dock estate, and other matters of detail, have had to be accurately defined; and the object heretofore has been more to demonstrate that there would be a large and valuable property, than to fix with precision the exact limits of that portion of it which would be available for sale.

9. I am now, however, directed to submit a sketch showing the areas as lately settled and the position of the plots that will shortly be offered for sale. From this sketch it will be seen that on the Land estate 95¼ acres, or about 461,494 square yards, are available, and the exact disposal of the Dock estate it is better to leave for after consideration.

10. His Excellency in Council, I am desired to say, desires to acknowledge the withdrawal, in your 32nd para., of the stipulation that arrangements should be made at once to redeem the capital debt upon the estate by raising additional revenue. His Excellency in Council is clearly of opinion that such an arrangement could not have been enforced without inducing a very strenuous opposition on the part of the trade of the Port, which would have suffered, while the works were still in an incomplete state, in order to provide benefits for after generations; but, as above stated, he hopes that an appreciable impression on the debt may shortly be made by the sale of land,

and all such items as fines on leases, surplus revenue, and the proceeds of land sales, will of course be devoted to this purpose.

11. I am now desired to say that His Excellency in Council has received the propositions contained in your letter, paras. 37 to 42, generally with much satisfaction. His Excellency, although he feels constrained, in the interests of the people of Bombay, to make a further representation to the Government of India, and to take exceptions to some of the proposals now made to him, admits that the modifications of the original conditions contained in this portion of your letter are conceived in a considerate spirit, afford substantial relief, and render it possible to proceed with a settlement of the question, which before appeared to offer insuperable difficulties.

12. The general effect of your propositions is to produce an equilibrium between present income and liability, leaving no margin for raising fresh capital for the prosecution and completion of the works, and to throw the burden of finishing the works on additional revenue to be raised by fresh taxation.

13. I am now directed to suggest, for consideration, whether this equilibrium, which, it was shown in my letter No. 93 A—188, dated 30th May, could be obtained in a different manner to that adopted in your letter under reply, cannot be secured, to the satisfaction of the Government of India, without having recourse to arrangements which will involve opposition on the part of the public, and which would, in all probability, be productive of after embarrassment.

14. It is believed that the views of the Government of India may be secured without reverting to the original proposal put forth by this Government, but definitely rejected by the Government of India, and without in any way affecting the financial calculations on which your letter, if His Excellency understands it rightly, is based.

15. I am directed to refer to the Warree Bunder land. The argument that has been adduced in respect to this portion of the property, that it throws on the local trade of the Port the cost of a large Imperial Railway Station, which, on every principle of equity, the trade should not be called on to bear, has never been met on its terms, and His Excellency in Council thinks it cannot be satisfactorily answered.

16. His Excellency in Council will not, however, in deference to the Government of India, renew a controversy from which, in this stage, no advantage is likely to be derived; but His Excellency in Council desires to bring prominently to the notice of the Government of India, that the view of the question which he has thus expressed, and from which he sees no reason to recede, will undoubtedly be one of the main difficulties that he will have to encounter, in placing the whole matter of the new Trust before the public, in proceeding to legislate. His Excellency is aware that a very strong feeling on the subject exists on the part of the whole mercantile community, and those who will be pecuniarily affected by the new arrangements, and he has reason to know that this feeling will find forcible expression as soon as public discussion

commences. It seems, therefore, to His Excellency in Council, that it is impossible to assent to the proposals of the Government of India precisely as they now stand, and to leave it to be said—not as the Government of India must admit, without some show of a reason—that the trade of Bombay is to be specially taxed, to the extent of £16,000 per annum, for the relief of the general finances of India.

17. The objection of the Government of India to the payment of a large sum of money to redeem the Warree Bunder land, and the inconvenience of the arrangement in a financial point of view, is of course understood by this Government; but the objection of the Government of India may not be so strong to the surrender of an equivalent property which would not necessitate such payment.

18. His Excellency in Council would, therefore, suggest that, in exchange for the Warree Bunder land, the Trust should receive absolutely the Apollo Bay Reclamation, and all the land on the Moody Bay Reclamation to the eastward of the proposed Frere Road, coloured dark green in the accompanying sketch, in all about 70 acres.

19. The land on the west side of the Frere Road, coloured pink in the plan, and measuring, exclusive of roads, about 116,448 square yards, would remain the property of Government, and in return for the free use of it for ten years, the cost of completing the drains and roads over it, and of levelling it, would be undertaken by the Trust, who would, however, make no claim for any portion of this area that might be required, and used, for Government purposes.

20. An offer has already been made to rent 1,000 square yards of this land, at 2 rupees per square yard per annum; and, capitalized at this rate, which is considered a very low one, the land at 22½ years' purchase, is worth 52 lakhs.

21. The Trust would benefit by this arrangement, in so far that they would, by incurring a small present outlay of, say, 2 or 3 lakhs, escape a heavy contingent charge that it may not be possible to avoid in 1881, in consequence of the complication that would follow attempts to carry out any further works in Moody Bay; while the Government of India would without any sacrifice of the present financial position, escape the difficulties which, it is certain, will have to be encountered when the proposed arrangements in respect to the Warree Bunder land are generally known.

22. The Imperial Government would also avoid heavy charges for ground rent that would have to be paid for the occupation of land for Government purposes near the bunder; such, for instance, as the charge that would have to be paid for the land for the proposed new Commissariat office and godowns, which could not be reserved by the Port Trust, in the vicinity of Carnac Bunder, for less than Rs. 50,000 per annum.

23. His Excellency is quite aware that the proposition now made involves a free concession to the Trust of property that it was intended they should pay for eventually; but, on the other hand, without calling on the Government of India to assume any liability for the Warree Bunder Railway land, it will satisfy the trade of this Port, and tend to allay an opposition that this Government

and the Government of India, will otherwise find it very difficult to meet by tenable argument; it will also set at rest questions that cannot fail to give renewed trouble in 1881, and leave the Government and the Trust unhampered in dealing with the sea frontage of the Moody Bay property for the benefit of the trade.

24. I am next to notice the concession made by the Government of India in writing off, in the accounts of 1870-71, 10 lakhs of rupees on account of the redemption of wharfage rights over the water frontage of the Great Indian Peninsular Railway Company's land.

25. His Excellency in Council acknowledges the great relief which this arrangement will give the Trust; but I am directed to suggest that the same, or practically the same, result may be obtained in another manner, which would offer other advantages, and would be more acceptable to the trade of this Port; instead of writing off this sum on account of the wharfage fees at Warree Bunder, I am to propose that the 10 lakhs, the capitalized value of Government properties to be handed over to the Trust, be remitted. The financial position, as far as the capital account is concerned, would not practically be altered by the adoption of this measure.

26. As regards the claim of the Imperial Government to receive the capitalized value of all the receipts enumerated in the 6th para. of Colonel Trevor's letter No. 91 A—147, of the 21st June 1870, it may be observed that these receipts are really of local, not Imperial, character, and would probably long ago have been transferred for the benefit of the Port (as it is believed has already been done with similar revenues in Calcutta), had any application to that effect been made to the Government of India. Only one or two of them can be said to have been created by the expenditure of Imperial money, and in these cases, considering the period the works were built, the Imperial Treasury must have long since been repaid its full outlay.

27. Further, it may be advanced, 1*st*, that, though the Trust is to have a local character, the duty of providing the utmost facilities for a commerce in which the whole of India is interested, is eminently one of an Imperial character; and 2*ndly*, that it is clear that by requiring the Trust to pay to Imperial revenue the capital value of this revenue, the Imperial Treasury is secured for ever at the expense of the local trade, which cannot in this case benefit by any reduction that may hereafter become practicable.

28. It may be said, however, that although the wharfage receipts on the Warree Bunder property are of no great value, the Government of India would give up a revenue of some importance, for which they would receive no equivalent, while they would, under the arrangements proposed in your letter, have at least the income derived from the Warree Bunder wharf, in respect of which they proposed to write off the 10 lakhs paid for their purchase; but, in reply, it may be pointed out that the wharfage interests on the Warree Bunder property, at the present time, do not exceed a few hundred rupees per annum, and that the real value of the concession now requested is to be found, not in the amount of revenue to be obtained, which is insignificant, but in the placing the whole of the foreshore permanently under one

administration—an arrangement the necessity and importance o which the Government of India have themselves not failed to recognize.

29. The question of permitting the Railway Company to have a free, or partially free, right to land all their stores in the tidal basins to be constructed on the Elphinstone property, in return for their water frontage at Warree Bunder, has already been more than once discussed. This arrangement would have advantages for the Railway Company, but the question would be greatly complicated if the wharfage right of the Warree Bunder frontage were not in the possession of the Trust.

30. So far, the proposals I am directed to lay before the Government of India do not affect the present financial aspect of the question. They may be briefly summarised as follows :—

1st.—It is suggested that, instead of giving financial relief for the cost of the land applied to Imperial purposes at Warree Bunder, the Government of India should assign land elsewhere.

2nd.—That, instead of granting a refund in lieu of wharfage rights which are likely to prove barren, a remission should be given on account of the capital value of certain revenue, which is more properly Local than Imperial, and is levied in respect to works, the cost of which the Imperial Government has long since been paid.

31. I am now directed to place before the Government of India a return of the capital debt up to the 31st March 1871, as now settled. This return includes the 8 lakhs of rupees granted by the Government of India since the 31st of March last, and exhibiting this sum as all expended on the 31st March. This is not of course an accurate representation of the fact, but it is done to enable a marked line to be drawn between the past and proposed outlay.

32. In this return the printed figures show the account as it would stand under the arrangements proposed in your No. 3372, dated 8th September 1871, now under reply, and the red ink alterations, the effect of the proposition made in this letter.

33. The proposed further outlay of 45 lakhs is to be distributed over the next four years, and provides for the completion of one tidal basin, and the further construction of the Moody Bay bunder, and the land estate at Moody Bay, with a temporary sea wall on that part of the Moody Bay estate it is proposed should be made over to the Trust, estimated to cost altogether 33 lakhs; the remaining 12 lakhs it is intended to apply to the construction of godowns on the Elphinstone and Moody Bay estate, to the improvement and enlargement of the Custom House Bunder, and in making roads, &c., on the property, including those referred to on that part of the Moody Bay estate which it is proposed to regard as Imperial property. The provision made is liberal, and will meet all immediate wants for the completion and proper working of the Trust for many years. It does not include, however, the probable cost of deep-water piers, to which I shall refer further on.

34. I also attach an estimate of charges and revenue, which has been drawn up on the basis of existing facts, no credit having been taken for increase of trade, for diminution of interest on account of capital, receipts from sales or leases of portions of the landed

estate, for rents from godowns to be built, or for the development of any of the present sources of revenue. There can be no doubt that there will be a very considerable increase in receipts during the next three or four years, but it has been thought safer to regard this as a reserve, rather than to count on it on dealing with the question of the funds to be provided to meet known annual charges. According to this estimate there will be a deficiency in each year as follows :—

On 31st March	1872	...	...	...	...	...	Rs.	1,12,705
,, ,,	1873	...	...	...	...	...	,,	39 932
,, ,,	1874	...	...	...	...	...	,,	1,02 932
,, ,,	1875	...	...	...	...	...	,,	1,61,432
,, ,,	1876	...	...	...	...	...	,,	1,88,432
						Total deficiency...	Rs.	6,05,433

an average, distributed over 4 years, of Rs. 1,51,000 per annum.

35. This can only be met in one of two ways, either by carrying the amount to capital, supposing the existing revenue to remain stationary, or by increased taxation.

36. In the 45th para. of your letter under reply you state that the Governor-General cannot consent to advance any public money in excess of the amount already sanctioned, except such as is absolutely necessary to prevent dispersion of establishments, until the income of the Trust is sufficient to pay 4½ per cent. interest on such amount; and, if this ruling is adhered to, there will be no resource left but to discontinue works altogether, or to impose fresh burdens on the trade.

37. His Excellency in Council is more averse to adopting either measure. As regards the first, the works cannot be left as they are, and to adopt the latter in the present depressed state of commerce, while the works are incomplete and unfinished, and while no new accommodation, or facilities are made available, cannot fail to evoke a strong, and in His Excellency's opinion, a just opposition, which is now only latent, and which will be certain to manifest itself as soon as it becomes known that fresh calls, for which no immediate return is to be given, are to be made on the local trade.

38. His Excellency in Council still, therefore, hopes, that on a careful reconsideration of the subject, the Government of India will consent, for the present, *i. e.*, for the next three or four years, to allow the interest on the further sum that is needed to be carried to capital, for in this way only can the matter be arranged without provoking much adverse discussion and discontent.

39. If, however, in this view he is unable to carry the Government of India with him, the only alternative left will be to meet the yearly deficit by increasing the wharfage dues, under Act V. of 1870, on such articles as can be dealt with with the least inconvenience.

40. But His Excellency in Council would remind the Government of India that, although Act V. was passed through the Legislature without much active opposition, it is, nevertheless, regarded with great local disfavour; its operation is very closely watched, and any movement to take advantage of the extended powers which

the Act gives this Government, is certain to be highly unpopular.

41. As the outlay that is estimated above for the next three or four years is only intended to provide for the completion of the property, apart from the question of accommodation for sea-going vessels at piers, that important subject has still to be considered.

42. In my letter No. 126 C. W.—269, dated 8th August 1871, on the subject of a Deep-sea Pier, it was brought to the notice of the Government of India that the steam trade to this port *via* the Suez Canal, and from other directions, had so greatly increased of late, that special facilities to accommodate it had become absolutely necessary, and it was thought that it would best be provided for by the construction of an iron pier, which it was shown could be constructed for about 25 lakhs of Rupees. It was also shown that such a pier would be likely to earn a revenue that would meet the interest of the capital expenditure on its construction, as well as provide a sinking fund that would extinguish the debt in 30 years.

43. In your letter No. 325 B. C., dated 9th September 1871, the Government of India expressed an opinion that the project was a good one, but that the subject must be left for consideration till the new Port Trust should be put on a sound financial basis.

44. Although the trade interests of this Port are certain to oppose anything like fresh taxation, or the imposition of new burdens on the community, to pay for works which will afford, for some time to come, an inappreciable amount of additional accommodation of the same character that has already been in existence for some time, it is not thought that they would seriously oppose any moderate measure that might be proposed, provided it were made clear that the money would be applied to a purpose of immediate advantage to the trade, and to shipowners.

45. Under this impression, and in order to provide for the construction of a Deep-water Pier, His Excellency would be willing, at a fitting time, to undertake to introduce a measure to amend Act XXI. of 1851, and to admit of the port dues on shipping being raised from 2 to 4 annas per ton.

46. If this measure were adopted, there would be an increase of revenue, from this source, of about Rs. 1,50,000 per annum, on the security of which the Government of India would probably not object to advance a sum of 25 to 30 lakhs for the construction of a basin or a pier.

47. The proposals, therefore, I am now to submit, in modification of those contained in your letter under reply, are :—

1st.—To give the Trust an equivalent in land and water frontage, for the Warree Bunder land and frontage, reserved for imperial purposes, but which, under these arrangements, the Trust are called on to pay for.

2nd.—Instead of 10 lakhs of Rupees on account of the Warree Bunder fees, to give relief to the same amount, by handing over certain sources of revenue which are locally local, but which have heretofore been treated as imperial free of charge.

3rd.—To allow the interest on an advance of 45 lakhs, within the next 3 or 4 years, to be carried to capital.

4th.—To give an advance of 30 lakhs of rupees, on the security of additional revenue to be raised by increasing the port tonnage dues, which is estimated to yield at least Rs. 1,50,000 per annum.

48. In conclusion, I am desired to say that in putting forward

these propositions His Excellency in Council admits that they involve on the part of the Government of India concessions which strictly speaking this Government cannot demand, but the situation is a very difficult one: the solution that must be sought for is not that which may be held to be absolutely and strictly the best, but such as is practicable and workable. At the same time, although what is asked for will involve some further concession on the part of the imperial Government, still except as regards this possible addition of a small amount of interest, *i. e.*, about 6 lakhs to capital, they do not in any way affect the financial position that has already been accepted; and as the calculations have all been made on the basis of existing revenue, it is not too much to say that the addition to capital on account of interest will fall very considerably short of the sum above estimated.

49. His Excellency in Council is satisfied that, so far as it may be practicable, it is the wish of the Government of India to show liberal consideration for the interests of the trade of Bombay. His Excellency the Viceroy in Council, in your 46th para., has intimated that, acting in accordance with this express purpose, it has not been possible to afford *less* relief than the measures you propose will give. His Excellency in Council is therefore hopeful that the suggestions now made, which will impose no fresh burden on the finances of India, will confer substantial benefits on the Trust, and will prevent after complication, which must otherwise inevitably arise, may not be rejected. If they be accepted, His Excellency in Council will be able to take up a stronger position in respect to the public and the trade, and will proceed at once with the legislation necessary to give effect to the arrangement, and to organize a Trust on an efficient footing.

Letter from Colonel C. H. Dickens, R. A., Secretary to the Government of India, in the Public Works Department, to the Secretary to the Government of Bombay, No. 411 B.—C., dated 7th November, 1871.

I am directed to acknowledge receipt of your letter No. 179 A.—369 of 1871, dated 21st ultimo, on the subject of the recent decisions of the Government of India in respect to the financial position of the proposed Port Trust of Bombay.

2. In reply, I am directed to state, in the first place, that the Governor-General in Council is gratified to learn that the concessions made in the orders to which you now reply have so materially facilitated the action of the Government of Bombay towards the establishment of the Port Trust on a satisfactory footing.

3. The intention of the orders of the Government of India is correctly stated in your 12th para. to be "to produce an equilibrium "between present income and liability, leaving no margin for rais-"ing fresh capital for the prosecution and completion of the works, "and to throw the burden of finishing the works on additional "revenue to be raised by fresh taxation." I am to add that this still appears to the Government of India to be the only sound principle on which to establish the Bombay Port Trust.

4. The Government of Bombay, in the remainder of your letter under reply, put forward four new proposals, to which I am now to convey the replies of the Governor-General in Council.

5. The first of these is in regard to the Warree Bunder Railway Station. The Government of Bombay state that the argument advanced by the local Government, that the non-remission of a share of the purchase money of the Elphinstone estate, on account of the acquisition by the Government of the land for this Railway Station, throws upon the local trade the charge of an Imperial work, has never been met on its merits, and cannot be satisfactorily answered. In reply to this I am to say, that, on the contrary, it appears to the Governor-General in Council clear that the Railway Station forms no part of the land bought from the Elphinstone Company. The sum of Rs. 1,85,91,597 was wholly paid for the land to be made over to the Port Trust.

6. But while the Government of India cannot recognize the justice of the arguments brought forward in this matter, His Excellency in Council appreciates the difficulties of the Bombay Government, and is willing to accede to the proposed transfer at once to the Port Trust of the unfinished part of the Mody Bay Reclamation, since it appears that the finished, or nearly finished, portion west of the Frere Road will, in all probability, sell at such rates as to repay the Imperial Government the entire outlay incurred on that reclamation. The Government of India is not, however, prepared to sanction the grant, free of charge, to the Trust of the Apollo Bay Reclamation.

7. I am also to say that the Government of India accepts the second proposal of the Government of Bombay, namely, agrees to concede, instead of the 10 lakhs for purchase of wharfage dues on the Warree Bunder, the capitalized value of the revenue realized in respect of Government works long since finished, and now to be made over to the Trust, viz., the sum of 10 lakhs capitalized income included in the 30th paragraph of your letter No. 93 A.—188 A., of the 30th May last.

8. The Government of India has thus accepted, with one exception, the 1st and 2nd of the new proposals brought forward in your letter under reply; and I am now to express the regret of the Governor-General in Council, that it is not possible to accept the other two.

9. These two proposals are, the third, that the Government of India shall advance a sum of 45 lakhs in four years without interest, for the completion of works connected with the Port Trust; and fourth, that it shall further advance a sum of 30 lakhs, on the security of an increase to the Port dues, for the construction of a Deep sea Pier.

10. In regard to the third proposal, I am to say that it would be in contravention of the principle by which the Government of India has hitherto been guided, and which is repeated in the 3rd paragraph of my present letter.

11. But it does not appear to the Governor-General in Council that any inconvenience will follow from the inability of the Government of India to comply with this request. The principal part of

this proposed advance of 45 lakhs is the 33 lakhs wherewith to complete the Moody Bay Reclamation. It appears to the Government of India that it is particularly desirable that this work should not be completed until the other reclaimed land is sold, or is in process of being sold. Some parts of the work it may be expedient to go on with in a gradual way, but to push on the work at 8 or 10 lakhs of expenditure per annum seems quite unnecessary. It appears to the Government of India that it will be quite enough to allow 15 lakhs, instead of 45, for all that is necessary to be done within the next four years. This outlay could, of course, be increased if land began to sell, and the burdens on the Trust were thus reduced.

12. Limiting the expenditure to 15 lakhs, the accompanying account shows, that instead of an accumulated deficit of six lakhs, as stated in your 34th paragraph, there would, at the end of 1875-76, only be a deficit of 2½ lakhs. This small sum could, no doubt, be met, without serious inconvenience, in the manner proposed in your 9th paragraph.

13. It is understood that the works formerly proposed, at a cost of 70 lakhs, in the 11th paragraph of your letter of 30th May last, are now for the present given up. This I am to say seems wise.

14. In regard to the further proposal to raise 30 lakhs for the construction of a deep sea pier, I am to say that the Government of India adheres to the decision lately conveyed in my letters No. 325 B. C., dated 9th September 1871, and No. 395 B. C., dated 31st October 1871, that this work should be deferred until the Port Trust has been satisfactorily established on a sound financial basis, that is to say in a position to meet its present liabilities and reduce its debt.

Letter from Colonel M. K. Kennedy, R. E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 206 A.—425, dated 29th November 1871.

I have the honour to acknowledge the receipt of your letter No. 411 B. C., of the 7th instant, on the subject of the proposed arrangements preliminary to the establishment of a Port Trust in Bombay, and in reply, I am desired to acknowledge the further concessions which have now been made by His Excellency the Viceroy in Council.

2. In my letter No. 179 A.—369, of the 21st ultimo, to which your letter under reference is a reply, it was admitted, in para. 11, that the modification of the original proposal made in letter No. 3372 of the Government of India, in the Financial Department, afforded substantial relief, and rendered it possible to proceed with a question which before appeared to offer insuperable difficulties; but it was added that His Excellency in Council, in the interest of the people of Bombay, was constrained to take exception to some of the proposals made to him, and fresh propositions were put forth.

3. It is these propositions which your present letter deals with, and His Excellency in Council is of opinion that the rejection of

essential portions of his suggestions renders it unadvisable for him to proceed further, until the Government of India have had an opportunity of considering the effects of their present orders.

4. As regards Warree Bunder, I am first to say, that His Excellency in Council regrets he cannot concur with the Government of India in the view they take of the facts as they relate to this land.

5. In the course of this correspondence, (vide paras. 10 to 12 of my No. 91 A.—147 of 1870, and paras. 15 to 19 of my No. 93A A.—188 A of 1871,) the question has been fully argued, and His Excellency in Council cannot admit that it has now been disposed of by the 5th para. of your present letter.

6. It is undeniable that the cost of the Railway Station forms part of the sum paid to the Elphinstone Company, interest on which under the proposed arrangements the trade of the Port of Bombay must provide for. However the matter be viewed, this fact remains, and on this point much public discussion is certain to arise, as soon as the subject is ventilated.

7. The Government of India are aware of this difficulty, and acknowledge it in the first part of your 6th para., and it was with a view to meet the objection, and to satisfy the public and the trade, who are so deeply interested in the proper disposal of the question, that His Excellency in Council proposed that the Government of India, as an equivalent for the 70 acres reclaimed by the Company and appropriated by the Imperial Government for Railway purposes, should assign the land at Moody Bay, east of the road, and the Apollo Bay Reclamation, measuring, in the aggregate, about the same area as the Warree Bunder land.

8. The counter proposition of the Government of India is, that only the land at Moody Bay, east of the road, should be handed over, the Trust having the use of the Apollo Bay Reclamation for the 10 years only, and being afterwards called on to pay for it if they desire to retain it.

9. But I am to point out that in this case, the Trust, instead of 70 acres of reclaimed land at Warree Bunder, will only obtain about 41 acres of land at Moody Bay, and that this land is in an incomplete state, and must be, for years to come, not a source of revenue, but a cause of outlay, for its present state is such that expensive works are required to render it fit for occupation, and even to preserve it from the ravages of the sea.

10. Such being the case, His Excellency in Council does not see that the difficulty which the Government of India acknowledge to exist has been substantially removed, and he still hopes that the grant of the Apollo Reclamations, already made for 10 years, may be converted into an unconditional concession.

11. If this be done, one important part of the subject would be satisfactorily cleared without imposing upon the Government of India any fresh financial burden, and a question would be set at rest, which it would, in His Excellency in Council's opinion, be desirable to dispose of at once, rather than give grounds for a present opposition, which would undoubtedly be hereafter renewed at the termination of the 10 years period, when the trade would

be called upon either to resign a source of revenue or accept a further capital liability.

12. His Excellency in Council would submit whether, under all the circumstances of the case, it is worth while to permit an acknowledged difficulty to remain for the sake of a remote contingent advantage, and he trusts that, on further consideration, His Excellency the Viceroy in Council will accede to the arrangements as originally made in my letter No. 179 A—369 (Local), dated 21st October 1871. I am to add that the grounds on which the partial acceptance of the proposition I am discussing has been accorded, *viz.*, that the value of the land at Moody Bay to be made over to the Government of India, is equivalent to the whole outlay on the Moody Bay reclamation, are such as will certainly be challenged, for they are quite independent and apart from the question whether the public, and the trade of this Port, can justly require an equivalent for the Warree Bunder land.

13. I am now to say that His Excellency in Council acknowledges, with satisfaction, the concession made in your 7th para. that, instead of the 10 lakhs for purchase of wharfage dues on, Warree Bunder, the capitalized income alluded to in the 30th para. of my letter No. 93A A—188A (Local), of the 30th May last, be remitted.

14. As regard the 3rd proposition, *i.e.*, the advance of 45 lakhs, I am to say that the proposition was not that this sum should be advanced without interest, but that the interest on it should, for a short term only, be added to capital.

15. If this be finally rejected, I am to say that His Excellency in Council will find himself under considerable difficulty—*firstly*, because a large outlay is required to bring Moody Bay into a state that will render it remunerative, and to preserve the work already done there: and, *secondly*, because, unless there are funds at disposal for works of improvement in other directions, the trade of the Port will be called on to bear burthens in excess of those it has hitherto, and until the introduction of Act V. of 1870, borne, while no corresponding additional facilities, or conveniences, have been provided for it.

16. I am to explain that the Government of India is under a misapprehension in supposing that, from the sum of 45 lakhs, 33 lakhs was asked for to complete the Moody Bay Reclamation. It is stated in the 33rd para. of my letter No. 369, dated 21st October, that this sum provides for the completion of one tidal basin, and the formation of a deep-water channel to it, and the construction of the Moody Bay bunder as well as of the land estate at Moody Bay, &c. For these works, which His Excellency in Council considers to be really essential, a sum of 15 lakhs, distributed over four years, would certainly be utterly insufficient, and though he trusts that an increase of revenue, with a diminished capital debt on credit for sale of land, will, within that period, place at the disposal of the Trust, means to discharge interest on at least a large portion of the advance that he solicits, he is unwilling to proceed with final arrangements, unless he sees his way to ensuring the necessary progress of the works, under all cir-

cumstances. His Excellency in Council would, therefore, I am desired to say, solicit the further consideration of the Government of India of this part of the subject. It cannot be of vital importance to the Government of India whether, in 1875-76, the amount of interest to be carried to capital be 2½, instead of 6 lakhs, or any amount between these two sums; while, as regards the success of the proposed Port Trust arrangements, it is of the utmost consequence that capital already expended should not be left unproductive, for want of means for carrying forward, with a due and reasonable amount of vigour, works already commenced, and still incomplete.

17. I am directed to point out that, although increased wharfage accommodation will certainly have been provided for the trade of the Port, if the expenditure be limited as the Government of India indicate, yet that the main feature of the undertaking contemplated by the Elphinstone Company, and which His Excellency in Council from the first had in view, viz., providing, for sea-going vessels of large tonnage, deep-water basins in which they can load and discharge, is wholly lost sight of, and put aside—in fact, it may be said that, for vessels of this description, no improved accommodation whatever is obtained; they will still have to unload in the stream, subject to the same risk and expense as heretofore.

18. The Government of India are correct in supposing that the works formerly estimated to demand an outlay of 70 lakhs have been temporarily postponed, but the sum of 45 lakhs was the result of calculations reducing this amount, so that it might represent no more than is absolutely indispensable. Without this expenditure, the full advantages and value of the works already executed cannot be obtained; and I am directed respectfully to say that His Excellency in Council would never have accepted the responsibility which the acquisition of the Elphinstone Estate, at the cost of so great an outlay, involves, if he had understood that the vast sums already expended on a large portion of the works would be left practically unproductive, by his being denied the means of bringing them, or even a part of them, to completion. To exemplify the position in which the decisions of the Government of India will thus place him, His Excellency in Council would point out that, in the construction of the Musjid and Elphinstone basins, a very considerable sum has already been expended. It is for the present contemplated to complete the Musjid basin only, but the decision of the Government of India will leave the works connected with both these basins in a position from which no revenue can be derived for years to come—in fact, till a surplus revenue is obtained to meet the interest of the sums to be expended in their completion. His Excellency in Council would submit that this would be unjust to the trade of Bombay, and certainly was never contemplated, either by the Government of India, or himself. His Excellency in Council never supposed that, in taking over expected works from the Elphinstone Company he was expected to assert to their being left incomplete, and should be called on to provide for the interest of past expenditure from other sources.

19. As regards the proposition to advance 30 lakhs, on the security of increased Port Dues, for the construction of a Deep-water Pier, I am to say that His Excellency in Council deeply regrets the rejection of a proposal which has become of vital importance to the new trade to which the opening of the Canal has given rise. In any other form than that which I submitted to the Government of India in my former letter, His Excellency in Council entertains little doubt that it would be hopeless to attempt to pass through his Legislative Council any bill to carry out the suggestion of the Government of India to increase the Port Dues levied under the existing law; nor can it be said that an opposition to such a measure on the part of the mercantile body, who, as I have pointed out, will receive no return for the increased taxation imposed on them, would be unreasonable.

20. In conclusion, I am directed to solicit an early and favourable expression of the views of the Government of India on the subject now submitted to them, for the present state of the question as regards the establishment of a Port Trust is most embarrassing to this Government, detrimental to the trade, and is, also the subject of much public comment and dissatisfaction.

Letter from Colonel C. H. Dickens, R. A., Secretary to the Government of India, in the Public Works Department, to the Secretary to the Government of Bombay, No. 36 B—C, dated 22nd January 1872.

I am directed to acknowledge receipt of your letter No. 206 A—425, of the 29th November last, on the subject of the arrangements for the establishment of the Bombay Port Trust.

2. The Bombay Government requests a re-consideration of the orders of the Governor-General in Council, conveyed in my letter of the 7th November last, on two points :—

1*st*—As to the transfer, as a free gift to the Trust, of the Apollo Bay Reclamation; and

2*nd*—As to the provision of funds for the prosecution of the works undertaken, and proposed, on behalf of the Port of Bombay.

3. On the first point the Bombay Government again reverts to the question of the Warree Bunder land acquired by the Government of India, without payment, for the Great Indian Peninsula Railway Station, and is unable to accept the view of the Government of India, that this part of the transaction has no connection with the purchase of the rest of the land reclaimed by the Elphinstone Company, and of its rights to reclaim more. On this part of the subject I have only to repeat, that the purchase was made by the Government of India on the understanding that it would throw no burden on the Imperial revenues; and that, had Imperial interests alone been consulted, the Government of India would have been content to retain its Railway Station, and leave the Elphinstone Company to dispose of its property as it could. Thus, as often said before, the Government of India regards the entire payment to the Elphinstone Com-

pany as the basis of the arrangement, and debitable to the Port Trust accordingly.

4. In deference to the repeated request of the Bombay Government, the Governor-General in Council will, however, not again refuse to transfer, as a free gift to the Trust, the Apollo Bay Reclamation, which is understood to include the two separate works numbered as 2 and 3 in your letter of 30th May last, para. 23, viz.:—

	Expended. Rs.
2. Apollo Pier Reclamation	3,49,628
3. Reclamation between Dockyard and Arthur Bunder ...	14,36,912
Total ...	17,86,540

The area of land is understood to be about 26 acres; and from your telegram of the 4th instant is understood not to be required for the Dockyard stores.

5. On the second point—that of funds for the future prosecution of the works—I am desired to state that the Governor-General in Council regrets he can make no change in the decision previously come to.

6. I am to explain, however, that the Government of India has no desire to stop the works of improvement needed for the Port of Bombay. On the contrary, it is the desire of the Government of India that these works should be carried on vigorously, and as quickly brought to completion as possible, and that this should be done under local management, free from Government control in all matters of detail, and assisted by the Government, by the loan of the necessary funds at a moderate rate of interest.

7. But it appears to the Government of India essential to this end, that the Port Trust should commence at once its career as a self-supporting institution. If this essential part of the arrangement be deferred, matters cannot be started on a healthy basis. If the works to be proceeded with are not such that the proper local representatives are willing at once to raise the interest of the money for them locally, there is no proper evidence of their necessity, and no security for the exercise of that economy which local management is calculated to secure.

8. It is on this ground mainly that the Government of India is unwilling to extend the period during which the Government will advance money free of interest for the time, or chargeable to capital. It is not, as the Government of Bombay appear to suppose, the mere grudging of the additional sum that would be necessary to put off the payment of interest for a few years.

9. However, if the establishment of the Port Trust can be at once set in hand, the Government of India is quite willing that the interest on the expenditure up to 31st March next shall be charged to capital.

10. But the Government of India would prefer that the works should be stopped, rather than continue indefinitely a system which allows money to be spent for local works under a management which is not subjected to the test of raising locally the interest of the money for the works it undertakes, as it goes on. The Govern-

ment of India will, however, not, in case of the Port Trust not being established as desired, insist upon work being so absolutely stopped as to let unfinished work go to ruin. A sum not exceeding 3 lakhs per annum (establishment included) may be allowed until the works are secured. But any expenditure thus incurred must be taken over to the capital account bearing interest, immediately the Trust is established: and, till then, outlay can only be made on estimates specially sanctioned by the Government of India.

11. The limitation of the expenditure on the Port Trust works to 15 lakhs, referred to in your 16th para., was not put forward by the Government of India with any desire that the work, when transferred to the Trust, should be so limited; but to show that if necessary to limit the amount to be raised locally to a very low figure, work could, without very serious detriment, be so far reduced.

12. With reference to your 17th and 18th paras., I am to remark that it was admitted in the 44th para. of your letter of the 21st October last, that the Port would not be unwilling to submit to a moderate additional burden to provide for a Deep-sea Pier. And, if the local management preferred to give the accommodation for sea-going vessels in the Elphinstone Estate, no doubt the money could be raised in the same way. Such being apparently the case, it appeared to the Government of India that the suggestion of a minimum expenditure of 15 lakhs during the next four years on the rest of the works, adding, as it would, so slightly to the local burdens, would tend to show that there remained no insuperable objection to the Port Trust commencing at once a self-supporting career.

Letter from Colonel M. K. Kennedy, R.E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 35 A—77, dated 17th February 1872.

I have the honour to acknowledge the receipt of your letter No. 36 B.C., dated 22nd January 1872, conveying the instructions of the Government of India on the proposals made in my letter No. 206 A—425, dated 29th November 1871, to the effect that the Apollo Bay and Wellington Reclamations will be transferred, without charge, to the Trust; but that, with regard to the provision of funds for the completion and development of the Trust property, the Government of India cannot change the decision previously come to, which was that only when interest can be paid on the advances, will such advances be made.

2. As regards the first point, I am to express the satisfaction of His Excellency in Council that the representations made by this Government in respect to the property to be assigned to the Trust, in part exchange for the Warree Bunder land, have carried weight with the Government of India, and have been favourably entertained.

3. In reference to the second point, however, *i.e.*, the provision of funds for the prosecution of the works undertaken, or proposed

on behalf of the Port of Bombay, I am directed to offer a few observations on the remarks contained in your 6th para.

4. In that para. it is explained that the Government of India have no wish to stop the works of improvement needed for the Port of Bombay, but, on the contrary, that they desire such works should be carried on vigorously, and brought to a completion as speedily as possible.

5. His Excellency in Council does not, for a moment, doubt that such is the desire of the Government of India, but I am, nevertheless, to remind you of the extreme difficulty which has been experienced by this Government in obtaining the sanction of the Government of India to the expenditure of any funds for these works subsequent to the 31st of March 1871, *i.e.*, in the current financial year, and I am to point out that from the receipt of the annual Budget Orders for 1871-72 under date, until now, the correspondence bears evidence of this.

6. On 22nd March 1871 (No. 94 A—501) this Government deprecated, in the strongest terms, the refusal of the Government of India to sanction the provision of any funds for carrying on the works. They clearly stated what the result of the refusal of the Government of India to provide money for current operations would be, and asked for telegraphic instructions on the subject. No reply having been received by 31st March, and this Government having no funds at their disposal for continuing the works, they were compelled to issue orders for the dismissal of the establishment, and for the suspension of all Trust works.

7. A report of these circumstances, and of the fact that, while a sum of 5 lakhs would be required to meet liabilities then existing, an additional sum of 3 lakhs (8 lakhs in all) would be necessary to carry on the works until the monsoon, was sent to the Government of India (No. 111 A—578, of 1st April), and on 10th April a telegram was received by this Government "to suspend stoppage of Port Trust works till further orders."

8. This was followed on 22nd May (No. 344 A—G) by the authorisation of an expenditure of 8 lakhs, but it was stipulated that the resumption of the works after the monsoon would depend on arrangements, satisfactory to the Government of India, being meanwhile made for the formation of a Port Trust.

9. The reply of this Government to that communication urged upon the Government of India the inconvenience and loss that would be caused by the stoppage of the works, if, from any cause, the final orders of the Government of India regarding the formation of the Trust were not received by the time the 8 lakhs were expended, and asked for authority to prosecute the works at such a moderate rate of expenditure as would serve to keep the establishment employed and together, until the questions under consideration were settled.

10. On 19th August a telegram was sent to the Government of India, reporting that funds were nearly exhausted, and inquiring when orders for the further prosecution of works might be expected. The reply to this (dated 21st August), that the matter was under consideration in the Financial Department, not being

deemed satisfactory, another telegram was sent on 24th August, pressing for definite orders, and stating that, unless further sanction were received, it would be necessary to suspend operations, and disperse establishments at great ultimate loss. The answer, received on 25th August, was that "orders on Elphinstone case will issue shortly." On 30th August this Government telegraphed a request to be allowed to spend two lakhs in addition to eight lakhs previously sanctioned for the current year, "pending orders," and the explanation was again given that the amount was needed to prevent the necessity for dispersing establishment. No reply having been, meanwhile, received, the inquiry was repeated by telegram on 21st September. On the following day a reply was received that the necessary sum would be given on receipt of a detailed estimate of the cost of the establishment. This, it was pointed out by a telegram from this Government, dated 23rd September, had been furnished so far back as 10th June, and it was again added that the funds were urgently required to prevent the dispersion of the establishment, and to provide for its employment. The request contained in this message was repeated in a telegram despatched on 4th October, and on the same day the Government of India sanctioned the provision of such funds as might be necessary to meet the charge for establishment only. On 7th October this Government pointed out by telegram that, there being still some points in connection with the proposed Trust remaining unsettled between the two Governments, some delay in the introduction of the Trust Act was unavoidable, and that to pay establishments for doing nothing would be a dead loss. Authority was, at the same time, asked for an expenditure of two lakhs. A similar representation was repeated by telegram on 20th October.

11. The letter No. 369 A. B., dated 14th of October, from the Government of India, requested that an account might be furnished of the 8 lakhs of Rupees sanctioned on 22nd May, and that it might be shown how much money would actually be required to pay for establishment only, till the Port Trust Act should be passed. It further stated that no additional grant for works would be made till after receipt of an account of the 8 lakhs, and of a statement of the work it was intended to carry on. On 25th October His Excellency the Governor telegraphed to His Excellency the Viceroy in reply. He stated that the information asked for would be immediately sent, and he strenuously represented that, to continue an establishment at Rs. 11,000 a month, doing nothing, and to keep unfinished and unproductive works which had cost so much, would entail a burden on the resources of the Trust, which the trade of Bombay could not fairly be called upon to bear; that a considerable time must, under any circumstances, elapse before the Trust Act could be passed, and that he could not, in fairness to the interests affected, press it on till the public should have had ample time to consider it. He concluded by requesting that a sufficient advance might be granted to enable the works to be proceeded with.

12. The Government of India telegraphed on 1st November that 2 lakhs would be granted, on the understanding that the Port Trust Bill would be sent up for approval in December, and passed in

February. His Excellency, in reply, pointed out to His Excellency the Viceroy that the introduction of the Bill into Council depended on the conclusion of the arrangements as to the liabilities of the Trust, and that the passing of the Bill would depend on its provisions being accepted by the Council. His Excellency thought it unreasonable that, in the meantime, capital should be left unproductive, and a needless liability thus imposed on the trade of the Port. Definite orders regarding the advance of 2 lakhs were again telegraphed for on 19th December, and the reply of same date was that the money had been granted.

13. It will thus be seen that the total stoppage of the works, for want of funds, has more than once been imminent, and that it has been necessary for this Government, on several occasions, to represent to the Government of India, in strong terms, the extreme inconvenience and loss that would be occasioned by such a stoppage.

14. In your 7th para. it is stated that, in the opinion of the Government of India, it is essential to the progress of the works that the Port Trust should at once commence its career as a self-supporting institution; but I am to observe that, in the opinion of this Government, whether the work be administered by a Trust, or by Government itself without the intervention of a Trust, the same reasoning will apply as regards the completion of the works.

15. Under any circumstances, it is desirable and necessary that these works should be pushed forward to completion, and be placed in a condition to earn revenue, or to return capital; but it is now doubly necessary after the great delay that has taken place in completing these arrangements.

16. A large amount of capital has already been sunk on some of these works, for which no return is now received; a comparatively small outlay is needed to give effect to what has been done; and setting aside the question of further improvements by entirely new works, such as deep-water pier, there cannot be any doubt that such outlay should be incurred.

17. The proper evidence of the necessity for further measures has not, therefore, to be sought for in the expression of any opinion by any local body of management, or by Government itself; but is to be found in the fact that so much capital has been sunk in bringing works, which might be made productive, to the point of completion, and that they are unfinished and unavailable. This fact has been more than once urgently pressed upon the Government of India; and His Excellency in Council, while keenly alive to the necessity of completing the works in hand with all possible speed, has felt himself hampered by the determination of the Government of India (now again expressed) to require the immediate payment of interest on the further capital needed, provision for which can only be made by the imposition of new burdens on the trade of the Port. The same difficulty will necessarily be felt by the Port Trust, the members of which will, no doubt, be most averse to making increased calls on the local trade, to meet the interest of the capital outlay on works which, for the next few years at least, *i. e.*, until they are finished, will not be in a condition to earn revenue.

18. But, while His Excellency in Council feels himself constrained to make this observation, I am to add that he will now immediately proceed to give effect to the wishes of the Government of India by establishing a Trust, and will lay before his Legislative Council a proposition to that effect.

19. As regards your paras. 11 and 12, I am to point out that the sum of 15 lakhs was proposed by the Government of India, not as a minimum expenditure, but as a maximum outlay to do a minimum quantity of work.

20. The Government of India assume that work could be limited to this amount without any very serious detriment, on the supposition that the trade would be willing to devote such means as it was suggested might be raised for the construction of a deep-water pier, to completing the docks on the Elphinstone Estate.

21. It might, or might not, be so, but I am to observe that the proposition for a deep-water pier had reference to a new and growing want for a special class of trade, and that it was not the intention of his Government, nor is it thought it would be the wish of the mercantile community to mix up the question of such accommodation with that of ordinary docks.

Letter from Colonel C. H. Dickens, R. A., Secretary to the Government of India, in the Public Works Department, to the Secretary to the Government of Bombay, No. 118 B.—C., dated 5th March 1872.

Your letter No. 35 A.—77 of the 17th ultimo, on the subject of the Bombay Port Trust, having been laid before the Governor-General in Council, I am directed to reply as follows:—

2. In the first place I am to state, with reference to para. 2 of your letter under acknowledgment, that the Government of India desires it may be fully understood that it has in no way withdrawn from the position, that the acquisition of the Warree Bunder land long ago did not in any way bind the Government of India to bear any part of the cost of the purchase of the Elphinstone property, or to give any land in exchange for the Railway Station land. The grant of the land conceded to the Bombay Government was made irrespective of this question, in view generally to facilitate the establishment of the Port Trust.

3. In regard to paras. 3 to 17 of your letter, I am to state that the Government of India, though desirous for the completion of the works, was not willing to sacrifice for that object the still more important object of establishing the administration of the works on a sound financial basis. It is quite true that the Government of India hesitated to grant funds for the completion of the works, but the reason for the hesitation was, that the Government of Bombay, though pressing for further grants for money, did not show any sign of complying with the urgent request of the Government of India that steps should be taken to form a Trust. It was possible to take the preliminary steps, even though some of the details remained to be determined.

4. Moreover, I am to state that the Government of India learns

with satisfaction that the Government of Bombay now feels itself in a position to proceed to establish the Port Trust, and the Governor-General in Council therefore does not desire to prolong this correspondence by entering into detail on the matters referred to in your letter under reply.

5. I am to request, with reference to para. 47 of the communication marginally noted, that the draft of the Act to be proposed by the Local Government for the organization of the Trust, may be submitted for the approval of the Government of India before it is introduced into the Legislative Council.

From the Government of India, in the Financial Department, to the Government of Bombay, No. 3372, dated 8th September 1871.

Letter from Colonel M. K. Kennedy, R.E., Secretary to the Government of Bombay, in the Public Works Department, to the Secretary to the Government of India, No. 58 A.—118, dated 16th March 1872.

I have the honour to acknowledge your letter No. 118 B. C., dated 5th instant, on the subject of the Bombay Port Trust.

2. His Excellency in Council has no desire further to protract this correspondence, and would very gladly have considered it closed, but he is constrained to prolong it so far as to notice that part of your 3rd para. which assigns as the reason for the hesitation evinced by the Government of India, to make further grants of money for the Port Trust works, that the Government of Bombay, though pressing for such grants, did not show any sign of complying with the frequent requests of the Government of India that steps should be taken to form a Trust. The opinion of the Government of India is further stated that it was possible to take preliminary steps, even though some of the details remained to be determined.

3. With regard to these remarks, I am to submit that the course of the correspondence will show that there was every desire on the part of His Excellency in Council to arrive at an arrangement that would render the formation of a Trust possible. According to the views originally expressed, and the conditions at first imposed by the Government of India, it would have been entirely impracticable to have established a Trust without imposing very heavy burdens on the trade, in the way of increased local taxation; and such a measure His Excellency in Council did not find himself in a position successfully to carry out.

4. This was clearly explained in my letter No. 91 A.—147 of the 21st June 1870, with which this correspondence opened, and to which the Government of India did not reply till the 1st April 1871 (*Government of India's No.* 125 *B., dated* 1*st April* 1871), or for upwards of nine months; and it was the obligation that His Excellency in Council was under to avoid a step of so retrograde a character, *i.e.*, the imposition of fresh burdens on the commerce, that necessitated the frequent representations, which have in the main been successful, but which have entailed this lengthy correspondence, and have deferred the formal constitution of a Trust.

5. As far back as April* 1870, an Act was drafted, which contained the main provisions for the formation of a Trust; but until the exact basis on which the Trust could be formed had been determined, and until it had been definitely decided what the liabilities and responsibilities of the Trust were to be, it is manifest that, by no possibility could a Trust have been formed. As regards, however, the observation of the Government of India that it was possible to take preliminary steps—implying that no such steps were taken—I am to remind the Government of India that His Excellency in Council did, at a very early stage of these discussions, take the only preliminary step that was practicable, or that was of any value, by passing Act V. of 1870, in the month of September of that year.

* *Vide* the Government of India's No. 418 B. C., dated 16th June 1870, and reply by this Government, No. 1001, of 1st July 1870.

6. This Act, as the Government of India must be aware, provides for the chief financial arrangement on which the new Trust will be based, and it constituted so essential and vital a preliminary step towards the establishment of a Trust, that it is surprising to His Excellency in Council, that the Government of India should have overlooked it.

7. By the provisions of that Act, the main source of revenue of the future Trust is secured, and after it had become law, it chiefly remained to determine what extent of liability the Trust would have to meet. The settlement of the questions connected with this liability rested with the Government of India, and not with this Government, and His Excellency in Council, therefore, entirely repudiates the responsibility for the delay that has taken place in arriving at a practicable and workable conclusion.

8. With reference to your concluding para., I am directed to say that a Draft Act for the organization of a Trust has been prepared, and will shortly be submitted to the Government of India.

BOMBAY CHAMBER OF COMMERCE, *24th April* 1872.

To Colonel ALEXANDER FRASER, C.B., R.E., on special duty with the Viceroy and Governor-General elect, Bombay.

SIR,—Referring to the meeting at the Chamber office on the 19th instant, when the Committee of Management had the honour of conferring with you on various matters connected with the charges on the trade of this Port—and the additions made to these in consequence of the Government purchase of the Elphinstone property :—

2. It will no doubt be in your recollection, that the members of the Committee expressed their regret that all matters connected with the purchase as between the Government of India and the Government of Bombay were com-

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pleted and closed, without the mercantile community having had an opportunity of expressing their views on a question which so deeply affects their interests.

3. The Committee of Management now avail themselves of the opportunity that will be afforded by the early presence in Bombay of the Right Hon'ble Lord Northbrook, Viceroy and Governor-General of India elect, to lay before His Lordship, through you, their views on this and another question of very great importance to the trade of this Port.

4. In reference to the purchase of the Elphinstone property, the Committee desire to lay before His Lordship the following brief statement of facts.

5. The Government of Bombay, in July 1869, without any notice beforehand, made a public offer for the purchase of the Elphinstone estate at the par value of the property, paying for the same in Government 4 per cent. stock at the price of 96.

6. This offer was accepted by the shareholders of the Elphinstone Company, and the purchase was completed and the property handed over to the Government of Bombay in April 1870.

7. In September of the same year a Bill was introduced into the Council of the Governor of Bombay for making Laws and Regulations, the purpose of which was to enable Government "to levy fees for the use of the Government bunders, wharves, landing-places and piers in the Island of Bombay," which Bill was passed with rapidity and became law as Act V. of 1870 early in 1871.

8. It was also stated on the part of Government, in the Council of the Government of Bombay for making Laws and Regulations, when the Bill was under discussion, that the purchase of the Elphinstone property had been made "solely in the interests of the trade of the Port," that it was merely intended as "a preliminary measure," in anticipation of a larger measure to be afterwards brought forward, whereby the management of the Elphinstone property and the foreshore belonging to Government would be made over "to a Trust or suitably constituted body, which would have power to raise fees for the payment of the interest on the capital which might have to be expended for the requirements of the property or the improvement of it,"

9. The passing of this Act created considerable dissatis-

faction, when the public found that the first effect of the purchase of the Elphinstone property was simply to place fresh burdens on trade, by levying fees on wharves and bunders that were previously free, and even at places on the foreshore where there was no landing or shipping accommodation at all.

10. Between July and December 1871 various representations were made by this Chamber to the Government of Bombay pointing out the new burdens that had been imposed on the trade of Bombay and the dissatisfaction caused by the levy of fees, without service rendered, and asking for information regarding the proposed Trust, the constitution of which, the Chamber consider, ought not to be settled before the mercantile portion of the community had had an opportunity of expressing their opinions thereon.

11. To these representations the only answer elicited from the Government of Bombay was to the effect that the correspondence between the two Governments was still in progress, and that it was expedient that the arrangements rendered necessary by the acquisition of the Elphinstone property should be definitely settled before the plan of the proposed Trust could be matured, but that as soon as these were completed, the public would have ample opportunity of considering the propositions that would be put forward for establishing a Port Trust.

12. In these circumstances a Special General Meeting of the mercantile community was held in January last, at which resolutions were unanimously passed deprecating the settlement of the question before the mercantile community had an opportunity of expressing their views, and a memorial embodying the substance of these was immediately afterwards laid before the Government of India by the Committee of the Chamber.

13. Early in March the Committee received a communication from the Government of India, in the Public Works Department, dated 6th idem, stating that the Government of Bombay had been addressed on the subject of the memorial, and the Chamber was referred to that Government for a specific reply.

14. At length, on the 28th ultimo, copies of extracts from the correspondence between the two Governments were published as a Supplement to the *Bombay Government Gazette*,

when the public learned, for the first time, the real character of a purchase to which the Government of Bombay had committed itself nearly three years before.

15. The Committee in laying before His Lordship a rapid summary of the facts regarding the purchase of the Elphinstone property, as gleaned from the published correspondence, have no desire to discuss a question already disposed of:—the object they have principally in view at present is to beg that His Lordship may not come to any immediate decision as to the course that should be taken for the further utilization of the property that Government has acquired, until the mercantile community have had an opportunity of expressing their opinions on a matter so important to the interest of Bombay.

16. The correspondence published by the Government of Bombay has only been placed in the hands of the members of the Chamber within the last three weeks, and they have not yet had time to become thoroughly acquainted with its contents, but it is proposed to hold a meeting of the members at an early date to enable them to express their views on the subject; and these, when embodied in the form of resolutions or otherwise, shall be promptly submitted for the consideration of His Lordship's Government.

17. When Lord Northbrook's lamented predecessor, the late Earl of Mayo, was in Bombay at the close of 1868, prior to his assuming the office of Viceroy and Governor-General of India, the members of the Chamber availed themselves of the opportunity to present an address to His Lordship, which had been previously voted at a Special General Meeting, in which they drew attention to some of the commercial wants of the Presidency; and the Committee of Management at that time were honoured with an interview to confer with His Lordship personally on some of the principal topics considered in the address.

18. Owing to the very short time which, it is supposed, Lord Northbrook can remain in Bombay, the members of the Chamber have not thought it expedient to trouble His Lordship by presenting an address in a formal manner discussing questions of public importance bearing on the commercial interests of this side of India.

19. There is, however, one other subject which in the opinion of the Committee is of such importance as to justify

their directing very briefly His Lordship's attention to it.

20. In the address of the Chamber to the Earl of Mayo in December 1868, (a copy of which is herewith enclosed for reference,) His Lordship's attention was especially drawn to the urgent want, both on commercial and political grounds, for a line of railway that would connect Bombay with Northern India, through Rajpootana from some point on the Bombay, Baroda, and Central India line; but though this question has been discussed for more than six years, and its importance acknowledged alike by the Government of India and of Bombay, nothing has yet been done.

21. A proposal was laid before the Secretary of State for India by the directors of the Bombay, Baroda, and Central India Railway, towards the close of last year, for a line from Ahmedabad to Deesa, which, from the papers submitted for the information of the Chamber, seemed, in the opinion of the Committee, if continued to Ajmere, likely to go far to meet the commercial requirements of Bombay, in reference to its trading relations with Rajpootana and Northern India.

22. These views of the Committee of the Chamber were laid before the Government of Bombay in a letter dated 8th February last, but in doing so they in no way committed themselves to the advocacy of any particular line, they merely pressed on Government the necessity, in the commercial and other interests alike of Western and Northern India, of some such line being carried out without further delay, and they earnestly hope this important question may receive the early attention of Lord Northbrook after assuming the high office of Viceroy and Governor-General of India.

23. Trusting you will do the Committee of the Chamber the favour to place this letter before Lord Northbrook at the earliest convenient opportunity—I have, &c.,

JAMES TAYLOR, Secretary.

No. 125 of 1872.

BOMBAY CHAMBER OF COMMERCE, *1st May* 1872.

To the Hon. Colonel M. K. KENNEDY, R. E.,
Secretary to Government, P. W. D., Bombay.

SIR,—The Committee of the Chamber have been in-

formed that a series of questions on the subject of the Elphinstone property were put to Mr. Ormiston, Engineer of Government Reclamations, by Col. A. Fraser, R. E., recently in Bombay on special duty with Lord Northbrook, and that these questions were answered in detail by Mr. Ormiston. I am directed by the Committee of Management to ask whether His Excellency in Council can favour the Chamber by placing a copy of these questions and answers at the disposal of the Committee in order that they may be laid before the Chamber of Commerce.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 114 of 1872.

BOMBAY CASTLE, *6th May* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In reply to your letter dated 1st instant, which I have placed before His Excellency in Council, I am directed herewith to forward, for the information of the Chamber of Commerce, copy of Colonel Fraser's questions in reference to the Elphinstone basin to Mr. Ormiston, and that gentleman's replies.—I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secretary to Government, P. W. D.

No. 140 of 1872.

Report to the Members of the Chamber of Commerce, by the Committee of Management, on the subject of the proposed Port Trust and matters pertaining thereto.

IT will be in the recollection of the members of the Chamber, that at the General Meeting held on 12th March last, the Chairman read a letter received from the Government of India in reply to the memorial from the Chamber asking for information regarding the proposed Port Trust, stating that the Government of Bombay had been addressed on the subject of the memorial, and referring the Chamber to that Government for a specific reply.

2. Your Committee accordingly applied to the Bombay

Government for the information referred to, and were shortly afterwards favoured with a copy of the correspondence, which afterwards appeared as a Supplement to the *Bombay Government Gazette*, under date 28th March.

3. Copies of this Supplement were procured and circulated amongst the members without delay, and your Committee trust the subject, in so far as it is explained by that correspondence, is by this time familiar to the members of the Chamber.

4. A careful perusal of the correspondence between the Government of Bombay and the Government of India on the subject of the purchase of the Elphinstone property, constrains your Committee to state that in their opinion the purchase has not really been for the immediate benefit of the trade of the Port.

5. It is now however inexpedient to refer to the past, for as regards the purchase, that part of the question has been entirely disposed of, and there is nothing left for the mercantile community but to accept the position as set forth and explained in the published correspondence.

6. In reference to the property to be charged to the Port Trust, which it is understood the Government of Bombay propose to organise, the Government of India havemade very liberal concessions, and it is now useless to expect more.

7. Your Committee are strongly of opinion that the only course now open for adoption is to press upon Government the necessity of completing the Dock Basins with funds to be provided from the Imperial Treasury.

8. The new burdens that have been placed on the trade of the Port without service rendered, in consequence of the purchase of the Elphinstone property, are greater than it can well bear, and it is therefore, in the opinion of the Committee, incumbent on Government that the deep water basins required for the accommodation of ships and steamers frequenting the Port, should be proceeded with at the expense of the Government of India, without any charge being made for interest on the outlay while the works are in progress.

9. When the basins are ready for use the Port may fairly be called upon to pay interest on the capital expended, but not before.

10. Your Committee have to express their acknowledgments to Mr. Ormiston, Chief Engineer of the Government Reclamation Works, who by permission of the late Governor

of Bombay most kindly placed himself at the service of your Committee the greater part of two days, for the purpose of showing the Elphinstone Estate which had been acquired by Government and explaining to your Committee in the most detailed and complete manner his plans for the completion of the Elphinstone and Musjid basins and bunders, in order that they may be made available for the accommodation of the shipping of the Port.

11. Your Committee had also the pleasure of conferring with Colonel A. Fraser, R.E., C.B., recently in Bombay on special duty, at a meeting held at the Chamber office, when they discussed with him many points connected with the Elphinstone Estate, the plans proposed for its completion, and the character of the present charges on the trade of the Port.

12. In view of the immediately expected arrival in Bombay of Lord Northbrook, the Viceroy and Governor-General elect, your Committee at that time considered it expedient to address a letter to Colonel Fraser, with a view to its being laid before His Lordship—pointing out, amongst other matters, the desirability of no immediate decision as to the plans proposed for the future utilization of the property that had been purchased,—being come to by the Government of India—until the mercantile community of Bombay had had an opportunity of expressing their views on a question of so much importance to their interests.

13. Shortly after Lord Northbrook's arrival he honoured your Committee with an interview, at which they explained to His Lordship, personally, their opinions on this and other questions.

14. During the period of Colonel Fraser's short stay in Bombay—he addressed a series of questions to Mr. Ormiston on the subject of deep water berthage for ships and steamers in Bombay in connection with the Elphinstone property—to which questions Mr. Ormiston gave elaborate and detailed answers.

15. Your Committee applied to Government for a copy of these questions and answers, in order that they might be laid before the members of the Chamber; a copy was received from Government on the 7th instant, and your Committee seeing their importance at once decided to have them printed and circulated amongst the members for their information prior to the whole question being considered at a General Meeting.

16. Through the assistance of Mr. Ormiston your Committee have been able to procure copies of the maps, which are so necessary for a right understanding of the questions and answers, and these, with the maps, are now herewith circulated for the information of the members.

17. Your Committee are of opinion that Mr. Ormiston over-estimates both the present cost of landing goods and the quantity of cargo likely to be unloaded and shipped at the basins when completed; but even after allowing for a considerable deduction from the 1,600,000 tons of merchandise calculated upon by Mr. Ormiston, there is every probability of the income being sufficient to pay interest on the capital invested in the dock estate.

18. In conclusion, your Committee desire to draw the attention of the members of the Chamber to the necessity for the immediate formation of a Port Trust for the management of all the public wharves and bunders, the property lately acquired by Government, and for the general conservancy of the Port.

19. In reference to this subject and the improvement of the Elphinstone property in the manner indicated in the papers now in course of circulation, your Committee concur in the views expressed by the Government of India in the letter in the Public Works Department, dated 22nd January last, printed in the published correspondence, "that these works should be carried on vigorously, and as quickly brought to completion as possible, and that this should be done under local management free from Government control in all matters of detail"; and on these important questions the members of the Chamber will have an opportunity of stating their views and recording their decision at the General Meeting to be held at an early date.

Bombay Chamber of Commerce, 13*th May* 1872.

Questions by Colonel Fraser, R.E., C.B., as to Deep Water Berthage for Ships and Steamers in Bombay; and Answers thereto by Mr. Ormiston, C.E.

1. What will be the cost (in round numbers, to be afterwards verified by details,) of the completion of the Elphinstone and Musjid Basins and Bunders? To what depth are they to be excavated? How many ships will they hold? —giving average tonnage. What rate will it be fair to

charge per ton for the accommodation, with reference to existing cost of landing from the anchorage ?

The cost of completing the Elphinstone Basins, Bunders, and Channels, may be stated, roundly, at a million sterling : the details can be furnished, but the following is an abstract :—

Elphinstone Basin	Rs.	50,31,460
Musjid do.		24,33,965
Channels		11,89,066
Dredging Plant...		12,00,000
		98,54,491
Contingencies 10 per cent		9,85,449
	Rs...	1,08,39,940

The dredging plant would be available for other works when these are finished.

The basins and channels are proposed to be made 20 feet deep at low water of spring tides, or 28 feet at mean sea level ; neaps may be said to range 6 feet and springs 12 feet.

There were in the harbour at end of last month 34 square-rigged sailing ships and 22 Canal steamers.

Their average was as follows :—

Sailing ship—1,085 tons register, 187½ feet long, 19½ feet deep draught.

Canal Steamer—1,484 tons gross register, 254 feet long, 16¼ deep draught.

The length of the walls in the Musjid Basin is 2,620 feet, and in the Elphinstone 5,540 feet ; together 8,460 feet. This extent would give inside berths to 32 Canal steamers or 43 sailing ships of the average size now in the harbour.

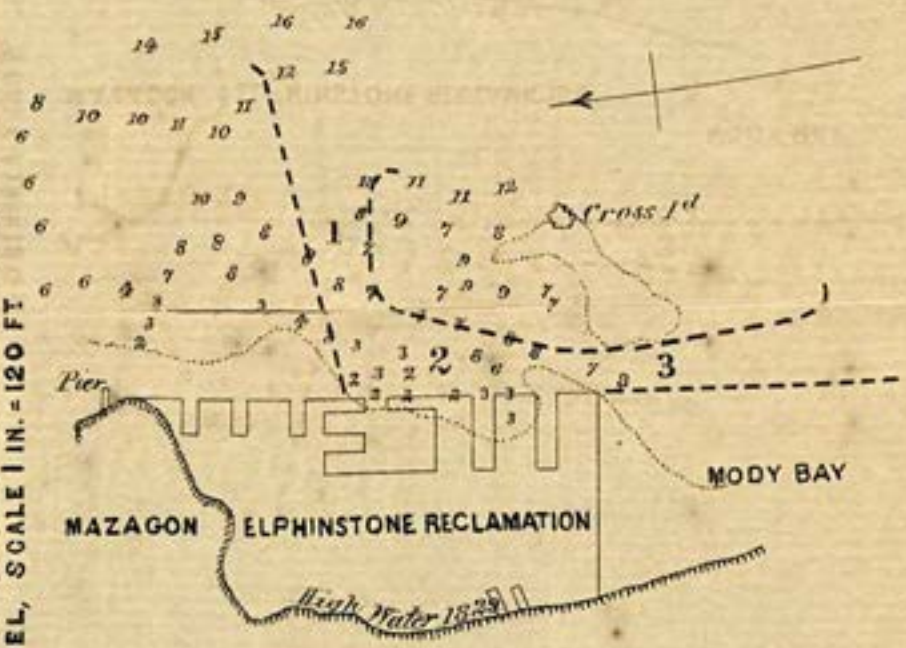
I consider 12 annas per ton on goods imported and exported, in addition to the present bunder fees, would be a fair charge ; this is founded on the cost of landing by boats, which at present is low, and is about 1½ Rupee per ton. Of this sum from 4 to 6 annas per ton is paid for the actual landing from the boat and storing on the bunder, leaving at least 18 annas as the charge on goods for boat hire alone—and I only propose to charge 12 annas ; so that the trade would save 6 annas per ton by using the basins, besides the saving to underwriters with respect to goods lost or boats wrecked, interest on value of cargo quicker despatched or received, and pilfering, the last of which I have heard a good judge consider costs the trade 3 lacs of Rupees per annum.

The figures given by the Dock Committee of 1867 show that loading in the stream costs the shipowner 3 Rupees per register ton beyond what it would do in a dock, and this amount might therefore be charged to the ship to make both alike ; but I would only charge 4 annas per ton to the ship, because it is desirable to make the dues so low as to induce the ships to use the basins.

2. What will be the cost of the deep-water approaches north and south to the Elphinstone and Musjid Basins ? and what number of ships, giving average tonnage, will lie alongside the frontage of the two basins ?

PLAN of FORESHORE WITH SOUNDINGS in FEET at L.W.

FROM COGAN'S CHART



1. *Main Channel.*
2. *Musjid Dº*
3 *Mody Dº*

Scale of Nautical Miles

1/4 1/2 3/4 1 2 Miles

CROSS SECTION of MAIN CHANNEL, SCALE 1 IN. = 120 FT

SECTION of NORTH BANK of MAIN CHANNEL

SHEWING STONE FACING

S.E.

The cost of the channels is included in the estimate given in para. 1. Dredging has been taken at Rs. 2 per brass (100 cubic feet), which I think a high rate; it is based on the Clyde rates, but taking coals at five times the price, and labour and stores at double the price they are in Glasgow.

	Rs.
The Main or Elphinstone Channel will cost to dredge it to 20 feet at low water	7,81,514
The Musjid Channel to dredge to the same depth	2,98,052
The South or Mody Channel to 12 feet at low water	84,000
Buoys	25,500
Total, as in para. 1.....Rs....	11,89,066

The Mody Channel cannot be dredged to more than 12 feet at low water, as a ledge of rock crosses it at this level. There is no rock in the other channels.

This does not include contingencies or dredging plant.

I propose to get two powerful single dredgers and eight steam hopper barges, each to carry 1,000 cubic feet of material. I think this plant will cost 12 lacs of Rupees, and would take two years to deliver.

The length of walls along the harbour frontage is 2,274 feet, but of this 779 feet would not be available for large vessels, as the ends will be stepped up to join the present walls, which at the south end are founded at low water, and at the north end 10 feet under low water. The length having 20 feet at low water is thus 1,495 feet, which would give inside berths to eight sailing ships or six Canal steamers of an average size.

3. Please give your reasons for thinking that the deep water approaches will not silt up: and what will probably be the annual cost of keeping them open, should they silt at all?

A comparison of Cogan's Chart of the Harbour of 1829 (sketch annexed) with recent surveys, shows that the foreshore through which the Elphinstone channel is to be cut has been almost stationary for forty years. My impression is that the Elphinstone works have slightly reduced its level.

I propose to consider the question of silting in the basins, and in the Musjid, Mody, and main channels separately.

The Customs House Basin was cleaned out and deepened last year down to 3 feet above low water. I was informed that this had never been done before—it certainly had not for twenty years. The mud in it was about 3 feet deep, which gives an annual increment of certainly not more than 1½ inch.

I had sections taken of the Nicol Basin in June 1869, and repeated in December 1871, an interval of 2½ years. These prove that the head of the basin had silted up 1 foot, that the outer end had deepened as much, and that the middle remained stationary.

The average column of water in the Customs and Nicol Basins is only about 10 feet, while in the new basins it will be 33 feet; the deposit in the proposed deep basins will no doubt be greater than it is in the present shallow ones, but not in proportion to the depth,

because there will be induced in them a greater current and more powerful action on the bottom. On the whole, and so far as I can judge, it will be a liberal estimate to take 6 inches per annum on the arrear as the outside amount of deposit which may be expected in the basins; this would give 8,276 brass (of 100 cubic feet each), which at Rs. 2 per brass makes Rs. 16,552 per annum for the maintenace of the basins.

With respect to the Musjid and Moody Channels I consider there will be little or no deposit in them, because they lie true to the tidal current and parallel to the harbour walls. The current of ebb of a high spring tide runs past at the rate of three miles an hour, and of flood at about half that speed; so that I expect these channels will not only be maintained when made, but partly scoured during formation, when broken up by the dredgers.

The Elphinstone Channel should be considered in three sections:—

1st.—*That next the land.* This being in line of the Musjid Channel, in a straight line with the tide, and also assisted by the current into and out of the basins, will, I think, maintain its depth without dredging, or with very little, for the reasons adduced as to the Musjid and Moody Channels.

2nd.—*The outer part,* where the channel to be dredged decreases from 12 feet to nothing, giving an average depression of only 6 feet below the present surface; as it is well open to the current, I do not think it will silt to an appreciable extent.

3rd.—*The middle part* for a length of about 400 yards. The greater part of this section is now 7 feet 6 inches under low water, and is to be dredged to 20 feet, which gives a depression of 12 feet 6 inches. The width of the channel is about 750 feet at the bottom, and I have allowed side slopes of 1 in 12, which gives a section as sketched on the margin (to a natural scale of 80 feet to the inch.)

The water in Bombay harbour is tolerably pure, and very much so as compared with many of our Home harbours, such as Liverpool, Hull, London, Cardiff, &c.

While the channel is being dredged the sides will take a slope, due to the velocity of the current over the bank and the nature and consistency of the material of which it is composed; there is no doubt the bank will be washed into the channel till the natural slopes are formed, but after that I do not expect much silt. The flood current of a high spring tide having only a velocity of 1½ mile an hour, and most of the ground to the southward being hard, I do not anticipate any deposit from the flood. As to the ebb, if a submerged bank of stones were laid along the north side of the channel, so I think it will be apparent there would be no denudation of the bank to the north, and consequently no deposit from it; and as the *water* is clean there would be little from *it.*

It is all the same whether the bank is protected artificially, as I have explained it may be, or allowed to take its natural slope. I prefer the latter, as in the event of a vessel going ashore on the edge of the channel, it might be damaged by the stone pitching but would take no harm from the sloped bank. I have allowed slopes of 1 in 12; but I think the bank will stand much steeper,

as, although the mud is thin at the top, it becomes firmer underneath, and at 5 feet is tolerably stiff.

I have argued this question on principle, and from local experience; but I beg to cite one example on a large scale of a similar work. The channel leading into the Bute Docks at Cardiff is about 1¾ mile long and only 300 feet wide; the outer mile was dredged to 6 feet at low water, and is depressed about 10 feet under the surface of the mud. The channel has been made across the tide, which, as ordinary springs rise 37 feet, has a very much greater velocity than we have here; the banks have taken a slope of 6 to 1, and my brother, who was engaged on the engineering staff, and is now with me, tells me that the amount of deposit is very small, and that what there is in suspension, and offers no obstacle to the passage of vessels. The waters of the Bristol Channel are thick and more like coffee than water in appearance. This channel is the only communication between the sea and works which have cost 3 or 4 million sterling.

I would also remark, generally, that I expect the opening of these Channels will train the tide through them; and would also point out that, as they lie on the concave shore, the tendency of the ebb, which is the more powerful current, is to pour through them from the channel between Trombay and Butcher's Island.

From what I have said, it will be seen that I do not anticipate any difficulty or great expense in keeping open even the middle section of the Elphinstone Channel. If, however, we take so much as 1 foot per annum,—which I certainly think is more than it would be,—it only comes to 9,600 brass, or Rs. 19,200 per annum.

4. It is understood that the basins are to be excavated to a depth of 20 feet at low water. What would be the additional cost of excavating to 24 feet at low water?

			Rs.
Musjid Basin, Walls	...	...	88,430
Excavation	...	...	39,205
			1,27,635
Contingencies	...	...	12,763
		Rs.	1,40,398
Elphinstone Basin, Walls	...	...	91,330
Excavation	...	...	2,91,475
			3,83,805
Contingencies	...	...	38,380
		Rs.	4,22,185
Total	...	Rs.	5,62,583

With respect to this question, I desire to add some remarks about the tides.

The *datum* to which all Bombay levels are reduced is a plane 100 feet under a Bench mark on the Town Hall-steps, near the level of the ground there; the low water to which I have referred is 72·00

on this datum. There are only 22 tides in a year out of 707, the total number, which fall below this level, or 1 in 32; of these the greatest falls 11 inches lower.

In this year, supposing the basins excavated to 52·00, or 20 feet under low water, there would be one tide only so low as to give 19 feet 1 inch at low water, and one so high as to give 36 feet 5 inches at high water, which are the extremes; but the average would be 24 feet at low water, 28 feet 4 inches at half tide, and 32 feet 8 inches at high water.

Owing to the diurnal inequality of the tides, it is impossible to define accurately springs and neaps; but the following is what I consider an average statement:—

Wharf or Bunder Level	91·00
Highest High Water	88·46
H. W. Springs	86·30
H. W. Neaps	83·30
Lowest High Water	80 63
Highest Low Water	80·38
Mean Sea Level	80·30
L. W. Neaps	77 30
L. W. Springs	74·30
Lowest Low Water	71·05
Bottom of Basins and Channel	52·00

I do not consider it necessary to give a greater depth than 20 feet at low water, because at the worst a vessel requiring 24 feet would only have to wait till two hours after low water to come in or go out: and as to touching the ground, the ship would be so water-borne as not to take damage. When I left the Clyde in 1854 there was not above 10 feet in Glasgow Harbour at low water, and there were then vessels drawing 18 or 19 feet trading to the Port. Of course they grounded (the bottom was mostly sand). But though I was engaged on the works as Assistant Engineer for nine years, I don't remember to have heard of any damage in consequence. This was the case even when vessels were mostly of timber; but now they are principally of iron, and are so strong that it is not uncommon to put fully laden iron ships in the graving dock, where they are not water borne at all, and it has been sufficiently proved it does them no harm.

As to the question of depth, I would invite a perusal of the extract from Mr. Urs's Report on the Clyde, which is given in my answer to question No. 11; and would also remark, that the tendency is rather to diminish than increase the draft of steamers, especially of those for the Canal, the average load draft of which, as ascertained from those now in the harbour, is only 16 feet 3 inches.

5. What is, in your opinion, the best course to pursue, supposing the further progress of the Elphinstone and Musjid Basins sanctioned, so as to bring a portion of the works into use at an early date? mentioning the time required for each operation, and the annual instalments of money necessary with this object, up to the completion of the whole of the works, including sheds, cranes, &c., &c.

I would recommend the masonry of walls to be let by contract at once; and if this be so, I think it would be safe to assume that

the walls, &c., of the Musjid Basin could be finished in three years, and those of the Elphinstone in five years.

If the dredging plant be ordered now we could have it out in two years.

The Musjid Basins would be available for shipping in four years, and the whole works would be completed within seven years.

The following programme shows the annual instalments of money required, odd hundreds of Rupees and the item for contingencies being omitted :—

Works supposed to be let in April 1872.	Dredging Plant.	Dredging.			Excavating rock and moorum in Elphinstone Basin.	Walls.		Sheds, cranes, moorings, water pipes, buoys, roadway, &c.		Total.
Expenditure in each year up to 31st March.		Channels.	Musjid Basin.	Elphinstone Basin.		Musjid Basin.	Elphinstone Basin.	Elphinstone Basin.	Musjid Basin.	
1873	6,00,000	.....	.....	.....	.....	6,00,000	6,00,000	.....	.....	18,00,000
1874	6,00,000	.....	.....	.....	.....	6,00,000	6,00,000	.....	.....	18,00,000
1875	.....	4,00,000	.....	.....	.....	6,02,000	6,00,000	.....	2,00,000	18,02,000
1876	.....	2,00,000	2,19,000	.....	.....	.....	6,00,000	.....	2,13,000	12,32,000
1877	.....	4,00,000	.....	.....	.....	.....	6,08,000	2,00,000	.....	12,08,000
1878	.....	.....	.....	4,34,000	.....	.....	.....	5,00,000	.....	9,34,000
1879	.....	1,63,000	.....	.....	4,27,000	.....	.....	4,88,000	.....	10,78,000
Total...Rupees	12,00,000	11,63,000	2,19,000	4,34,000	4,27,000	18,02,000	30,08,000	11,88,000	4,13,000	98,54,000

6. Supposing the Musjid and Elphinstone basins completed, what would be the area of land estate in square yards available for sale? and what, in your opinion, would be the minimum value of that land per square yard? Give reasons for your opinion, stating the value of the portions already rented temporarily.

I annex a plan of the Elphinstone property. The plots coloured red available for buildings have an area of 487,146 square yards. Three plots are leased for 99 years at the following rents per annum :—

	Square Yards.		Rs.
Akbar Press Company	10,680	=	11,550
Royal do.	10,000	=	10,000
Imperial do.	5,000	=	15,000

Besides an anna on every bale of cotton pressed, which last year amounted to Rs. 5,695-8-6.

The Railway depot near the Carnac Bridge is used by the B. B. and C. I. Railway Company; last year they received at it 23,010 tons of goods, and forwarded 48,840 tons, total worked 71,850 tons of grain, sugar, ghee, metals, piece-goods, &c. The depot contains 13,310 square yards; the rails were supplied and the shed erected by the Elphinstone Company at a cost of about Rs. 34,331. The Company pays 6 annas per waggon for special and 1st class, and 12 annas for 2nd, 3rd, 4th, and 5th classes, which fees last year produced Rs. 8,384.

The Railway depôt at the Elphinstone Bridge contains 26,620 square yards; about Rs. 45,003 have been expended on rails, metalling, fencing, &c.; it is principally used for firewood brought by the G. I. P. Railway Company; last year 16,280 tons were brought on it, on which the merchants paid Rs. 3,891 as fees.

There is a site for another depot near the Musjid Bridge, which has been reserved for a forwarding depot for the G. I. P. It contains 19,360 square yards, and as its situation is very convenient in every way, I think it should be made at once.

The grain bazaar is located near the Musjid Bridge, and occupies about 15,730 square yards; there are generally stored on it about 5,000 tons of grain of sorts; the merchants pay a fee of 6 annas per candy (of 738 lbs.) in lieu of rent; last year fees were paid on 165,386 candies, or 55,128 tons, amounting to Rs. 62,019, which is Rs. 4 per square yard per annum, or capitalized at 20 years' purchase, Rs. 80 per square yard.

This is a valuable trade; great efforts have recently been made by Native Settias to induce the trade to go elsewhere, hitherto without effect; it is proposed to give them suitable premises which would cover about 19,289 square yards, and would probably cost three or four lacs of Rupees to construct.

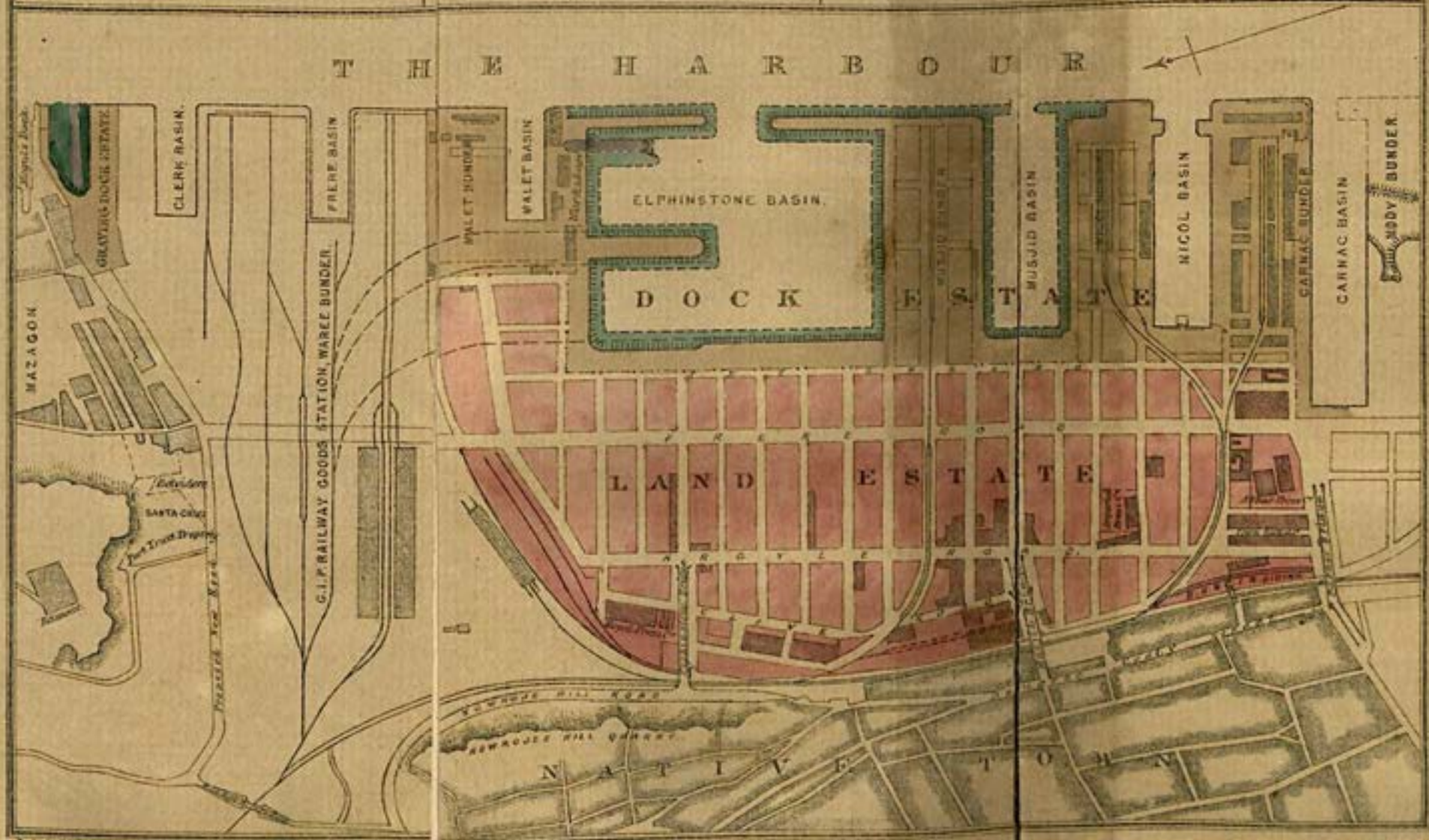
There are 130 godowns, some temporary and some permanent, on different parts of the estate, rented at from Rs. 35 to Rs. 70 per mensem. The last lot built was on Carnac Bunder; there are 26 of them in two rows; they cost Rs. 3,500 each, and the return from one may be calculated thus—

LAND ESTATE	S.Yds.	Acres
Area of Plots coloured Red	447,146	130.63
Do of Roads uncoloured	246,646	50.96
	783,792	181.61

DOCK ESTATE.		
Area coloured Brown	325,732	67.30
Do Do Green	81,602	16.86
Do Do Purple	3,578	0.74
	410,912	84.90

GRAVING DOCK ESTATE.		
Area coloured Brown	17,742	3.67
Do Do Green	2,334	1.35
Do Do Purple	3,328	0.68
	27,604	5.70

TOTAL	
S.Yds.	1,172,305
Acres	242.21



Scale 1 inch = 800 feet.

Land, 170 square yards, at Rs. 60 =	... ...	...Rs. 10,200
Building	... ...	... 3,500
		Rs. 13,700

Rent Rs. 60 per month × 12 × 20 years, Rs. 14,400.

They are not always let, though generally so, and the cost of repairs, &c., require to be considered; but still this shows they pay.

Besides what I have stated, ground is taken up over the estate generally for stacking coals, firewood, metals, &c.; the following is a statement of this as let while I write, the prices being the rents per square yard capitalized at 20 years' purchase:—

220	square yards	at Rs.	17	5,440	square yards	at Rs.	52
894	,,	,,	20	16,900	,,	,,	65
1,452	,,	,,	21	98	,,	,,	78
385	,,	,,	26	1,045	,,	,,	111
3,213	,,	,,	32	207	,,	,,	130
12,184	,,	,,	44				

These quantities give 42,038 square yards, and an average of Rs. 53 per square yard.

In November last a portion of the land near Musjid Bridge was exposed for sale by public auction, and the highest *bona fide* bid was Rs. 24 per square yard.

I am not aware of any sales lately in the native town, but from enquiries I made some years ago, I believe the price of land in Dongry Coolee street—the old "strand" of Bombay—was then Rs. 100 per square yard, and in some streets inland about Rs. 40.

The effect of the reclamation has no doubt been to lessen the value of land in Dongry Coolee street and its neighbourhood, by removing the water frontage half a mile away from it.

I have thus given what information I possess to enable any one to judge for himself of the value of the land estate; in forming this opinion he should bear in mind that on the one side is the commercial quarters of Bombay, with a densely crowded population of half a million, and on the other side will be the docks, where ships may come alongside and discharge or load cargo, and that a complete system of railway accommodation in connection with the estate is now in operation.

My own opinion is that when the basins are made the land will bring readily from Rs. 40 to Rs. 60 per square yard, according to locality, say on an average Rs. 50, but I would not be at all surprised if it should in a few years after be worth double this sum.

7. What further expenditure in the way of roads and drains is necessary to render the land area for sale available?

The roads and drains are made, and the land is available for sale now; but the gas should be laid on, and a more efficient supply of water provided, for which, and for cast-iron covers for drain, manholes and a few ventilators, I think it would be sufficient to provide a lac of Rupees.

8. Pending the completion of the works on the Musjid and Elphinstone Basins, what further expenditure is necessary in the Mody Bay project so as to work it up to such a point as will render it partially available (especially as regards

the saleable land) on the completion of the Elphinstone and Musjid Basins ?

I annex a plan showing the extent to which I consider Mody Bay should be reclaimed at present, and the following is an abstract of the estimates therefor :—

		Rs.
1.	Frere Road, coloured *red*, and its drains drawn in *blue* lines	1,37,000
2.	Boulevards and cross roads, coloured *brown*, plots *green*, and drains drawn in *red* lines	1,62,000
3.	Completion of reclamation out to proposed temporary wall, coloured *umber*, plots *purple*, roads *olive green*, and drains *black*; also temporary wall in an average depth of 3 feet at low water	23,88,000
4.	Mody Bunder, walls shaded *red*, reclamation coloured *yellow*, drains *dotted black*, and metalling surface ..	5,75,000
	Total, including 10 per cent. for contingencies ...	32,62,000

9. Do you not think that all the goods of the Port would, under present conditions, be accommodated in the Elphinstone and Musjid Basins, while any large increase to the trade could be met by utilizing gradually the Mody Bay Reclamation, which is at present waste ?

Yes—that is my opinion. The Elphinstone and Musjid basins contain 38 acres, and the length of basin walls is 2,720 lineal yards. The tonnage of square-rigged vessels and steamers entered was—

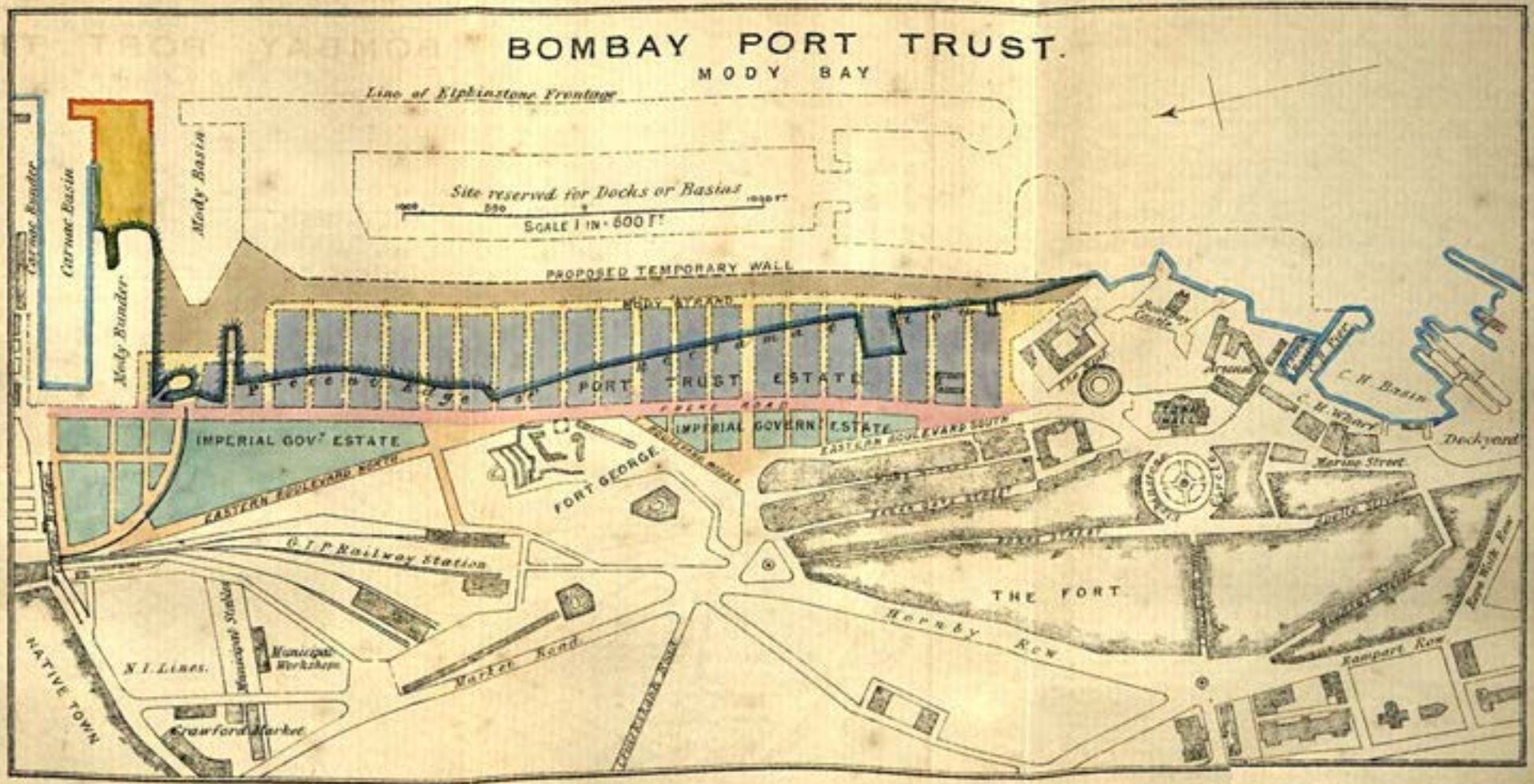
In	1867-68	765,624
	1868-69	889,825
	1869-70	827,476
	1870-71	714,330
		4) 3,197,255
	Average	799,314 tons.

Say 800,000 tons, which gives 21,052 tons per acre and 294 tons per lineal yard of wall per annum.

When I was Assistant Engineer on the Clyde, I helped Mr. Ure, the Resident Engineer, in making a report on the extension of the harbour of Glasgow in 1854, in which the question of how much trade could be worked in a dock or basin was fully considered. The following extract bears on the point :—

"I recommend a tidal basin in preference to a dock, because it will have a perfectly free communication with the river, so that vessels will arrive and depart as their convenience and interest dictate; that the entrance to a basin being wide, is capable of passing the greatest amount of traffic, while, whatever the future size of vessels may be, its smallness will not operate as a barrier to their entering; that the very largest vessels will be able to turn in such a basin without requiring to go into the river to do so; that no vessels will require to accumulate in the river opposite the entrance; that the water in the basin, being frequently changed, will be pretty much in the same condition as that in the river adjoining, and therefore will not be likely to be so offensive as that in the more stagnant condition of a dock; and that it will be remunerative at lower rates.

"My reasons for recommending the basin to be 20 feet deep at low water are, that with a much less depth, now that the screw is being so extensively introduced as the propeller of a large ocean steamers, I would fear the removal of the ground from the front of the wall in the effort of the vessels to get away when not afloat, and this depth accommodates with perfect safety all classes of


BOMBAY PORT TRUST.
MODY BAY
Line of Elphinstone Frontage
Site reserved for Docks or Basins
SCALE 1 IN = 600 FT
PROPOSED TEMPORARY WALL
MODY STRAND
Carnac Bunder
Carnac Basin
Mody Bunder
Mody Basin
PORT TRUST ESTATE
IMPERIAL GOV^T ESTATE
IMPERIAL GOVERN^T ESTATE
EASTERN BOULEVARD NORTH
EASTERN BOULEVARD SOUTH
FORT GEORGE
G.I.P. Railway Station
THE FORT
Hornby Row
Rampart Row
Marine Street
C.H. Basin
C.H. Wharf
Dockyard
Municipal Stables
Municipal Workshops
N.I. Lines.
Market Road
Crawford Market
NATIVE TOWN

vessels. The least column of water ever in the Liverpool Docks is 20 feet, the Southampton Tidal Basin 18 feet, the Troon Tidal Basin 20 feet, the West India Docks 20¼ feet, the New Leith Docks 20 feet, and the Hull Docks 19 feet—usual depth in these docks varying from 21 to 24 feet.

"The following Tables shows the amount of register tonnage entered in some of the principal harbours for last year :—

—	Tonnage per Acre of Water Area per annum.	Tonnage per Lineal Yard of Quay Wall per annum.	Remarks.
Glasgow, including river steamers	30,670	440	Fully worked.
Do. including do. ...	20,361	293	
Tidal Harbour at Southampton	20,000	350	Could perform a good deal of additional work.
Liverpool Docks	21,200	185	Fully worked.
St. Katherine's Docks, London*	20,500	142	Fully worked.
Hull Docks*	19,000	143	Principally performed during nine months of the year, during which time the docks are fully employed.

* A considerable quantity of river craft use these docks, of which the tonnage is not recorded.

"Showing the great additional amount of work that is done in the same space where a considerable proportion of the trade is steam, and the further additional quantity that is done where the facility of an open harbour is given for conducting it."

Considering that sailing ships are fast being superseded by steamers, I think the figures Mr. Ure gives justify the affirmative at the head of the answer.

10. Supposing the Elphinstone and Musjid Basins completed, what permanent arrangements would you propose for putting them in communication with the railways ?

The plan referred to in para. 6 shows the railway sidings into the Bunders as existing and as proposed.

The existing sidings run through the middle of the Carnac, Nicol, and Musjid Bunders, and are shown by full black lines.

The proposed sidings are shown in full red lines, connecting the Elphinstone North Jetty with the G. I. P. system at Waree Bunder.

In the event of its being considered desirable to have sidings on some of the quays themselves, I have shown a dotted red line connecting the west side of the Elphinstone Basins with the Waree Bunder lines ; of course by means of turn-tables waggons could be taken to any of the quays, but this is not a convenient arrangement with such heavy waggons and such loads (gross about 14 tons) as we have here.

Besides, it is found in ports where a general depot trade is carried on, that rails on the quays are not of much use, and are more a

nuisance than otherwise. Of course it is different where there is a mineral trade, or a transit trade, but these are not the case here.

11. What is your opinion in regard to the carrying out of the project for a deep water pier, and, if advisable, whence should it start?

12. Do you think that any such pier will in any way accommodate the goods of the Port at any reasonable cost? and will it not be better, in all respects, that goods should at once be brought to shore in the bottoms in which they arrive, than by any intermediate process involving double carriage?

13. Under present conditions a passenger pier is, according to my view, desirable, but could it not be met at a much less cost than that proposed, 25 or 30 lacs say, by a single pier head long enough for one of the troop-ships to lie along-side, with an approach from the shore on screw-piles, with timber flooring, as a temporary measure, till the large basins are completed?

N.B.—I mention screw-piles simply because I believe, while they could be put down much more quickly than cylinders, that the ground is suitable for them. They could also be extracted, when no longer required, without difficulty, and would not be lost material.

14. In my opinion ships could not lie alongside the pier-head in the manner proposed, of a diamond shape; they must lie (according to my experience) fair head and stern to the tide.

15. To the point from which you would recommend such a pier to start, could you bring a railway siding, with sheds available for troops, and what would be the cost of this?

16. Roughly, what would be the cost of such a pier, simply for landing the mails, passengers, and troops?

17. Would such a pier be fairly chargeable to the Imperial Government, and if so, what revenue would you expect from it if made available for other vessels when not used imperially?

18. Is the anchorage generally of such a character to render it necessary to go to the expense of a pier, considering the existing means of getting on board and the object which should be held in view of completing work which have for their end bringing the ships themselves alongside the shore? *i. e.* would it not, on all accounts, be advisable to press on the basins and deep water approaches to completion with all available funds? Or again, supposing supply of funds limited, would not imperial as well as local interests be better served by expending the money on the basins rather than on a pier?

I think I can make my opinion as to a pier clearer by answering questions 11 to 18 consecutively, instead of singly.

By desire of Government I designed and estimated a deep water pier more than a year ago, and forward a copy of the report and estimate for Colonel Fraser's use. It may be observed that I did

not report on the *policy* of making a pier at all, as that was not referred to me.

In a general way it may be stated that sufficient water for a deeply-laden vessel to lie afloat at all times of tide cannot be had nearer to the shore than about half a mile—so that the length of a pier to get the same depth would be pretty much the same wherever it is made.

If a pier is to be made, I think it should be as far up the Harbour (so as to be near the trade, and out of the swell,) as possible, consistent with keeping clear of the approaches to existing or proposed basins.

I think on the whole the site off the Wellington Bunder is the best. It may be connected with the B. B. and C. I. Railway by a line about a mile long across the Esplanade to Back Bay, near the Band-stand. If the Municipality would not allow the Colaba road to be crossed on the level, an overbridge would be necessary, which would cost two or three lacs of Rupees, otherwise the cost would be little more than the rails. A train cannot be run on to the pier-head that is to be parallel to the tide, as the 5 feet 6 inches gauge cannot be safely worked to a less radius than 800 feet; turn-tables could be used, but this is such a tedious process that it would be better to make the shed and troop siding on the approach, and as near the head as possible.

The present troop shed is 400 feet long and 40 feet wide. It is of a temporary nature, but to cover the same area with a permanent shed would cost about Rs. 50,000.

My estimate for a pier with an approach 70 feet wide and berthage at the head for four large vessels, is £350,000. If only half the head be made the cost would be reduced to £285,000, and if only half the width of approach and half the head, it would cost about £200,000.

Messrs. Galway and White's plan was for a pier on screw-piles, with a wooden platform, such as Colonel Fraser suggests; my estimate of it was £1-3 8 per superficial foot, while that for my design was £1-6-0. The difference is so little that it is not worth taking into account.

To all in-shore traffic a pier anywhere will be a nuisance, and should not be allowed if it does not supply such accommodation to the trade generally as would counterbalance the nuisance it would be to small vessels.

This points out that if made at all it should be commodious and strong. You cannot make a light structure to lay such vessels as the troop-ships are alongside in the open Harbour, and the platform must be made strong enough to carry the greatest crowd which could come on it, or a train. The truth is that large cylinders for such a depth and formation as we have here are really cheaper than small piles of any kind, because fewer of them do, and all braces and stays are dispensed with. The pier designed by me works out about 5d. per cubic foot of space; I remember that the addition to the Ryde pier head, which was of timber, and which I carried out under Mr. Walker, cost 4d. per cubic foot of space, so

that here even a timber structure would likely cost quite as much as my design would do.

It is of consequence, in considering this question, to know where goods are stored at present in Bombay, and on this point I wish it to be understood that the following is a general statement.

I believe fully half the cotton trade is done on the Colaba Company's Wharf, a good deal of timber and some coals at the Mazagon, and a small quantity of coals at the Frere Company's Bunder. Otherwise the greater part of the general trade of Bombay is done at the Elphinstone and Town Custom House Bunders, the former doing about $\frac{3}{4}$ths and the latter $\frac{1}{4}$th of the whole; that which goes to the Custom House is principally piece-goods, copper, opium, wines and spirits, simply because at present none of these are allowed by the Custom House authorities to be landed on the Elphinstone Bunder; arrangements are however in progress to enable this to be done, and when these are carried out, I believe the trade will be done almost entirely at the Elphinstone Bunders, even if no basins or piers are made. The fact is, the commercial quarter of Bombay is and always has been in the native town, in rear of the Bunders.

I do not think there is much chance of this trade being shifted, even if a pier was made off the Wellington Bunder; and the upshot would be that if vessels were berthed there the goods would have to be brought half a mile along the pier somehow, and then carted to the native town, about two miles further, just as is done with the China cargoes now,—these are landed at the Custom House Bunder, for the reasons I have above given, and are all carted to and stored in the native town.

Mr. Reid, Commissioner of Customs, has been good enough to send me a return of the number of merchant vessels in the Harbour on the 7th instant; it showed that there were then—

Loading	19	steamers.
	19	square-rigged sailing ships, and
	53	native-rigged vessels, large and foreign going.
Unloading	10	steamers.
	9	square-rigged sailing ships, and
	8	native-rigged vessels, large.
Unemployed	3	steamers.
	9	square-rigged sailing ships, and
	11	native-rigged vessels, large.

With a gross tonnage of 72,891 tons register.

It is quite clear that a pier could do almost nothing towards accommodating such a trade as this.

Piers are very well adapted for a port of transit, or where the trade is small, but they are utterly unsuitable for a depot trade of the magnitude we have to deal with here.

It will be observed that in my report on the pier, I said it might be completed in three years; since then, however, the iron trade has become so busy that it is almost impossible to place orders, and a greater length of time would therefore be required; on the whole, I think the Musjid Basin could be ready for use just as soon as a pier could.

The head of the pier, as designed by me, has 1,600 feet of front-

age, and the estimate being £350,000 gives above £200 per lineal foot, which is double the cost of berthage in basins; but this is the most favourable comparison it is possible to make for the pier, inasmuch as vessels may lie two or three abreast in a basin, which they cannot do at a pier in a tideway, and the middle of the basins are available for vessels unemployed. Basins can be used all the year round, whereas piers can only be used in the fair season; so long as the S. W. monsoon swell lasts, which is for about four months of the year, vessels would be unable to lay alongside during the floodtide as a rule, and frequently on the ebb. If the vessels lie fair with the tide, which, as Colonel Fraser points out, they should do as nearly as possible, they would not be end on to the swell, which begins to tumble in on shore at the edge of the sloping foreshore, where the pier-head would be, and would drive the vessels abroadside on against the pier-head.

As to maintenance, the 'life' of a pier is not so good as that of a basin, *that*, with repairs and accidents, might very fairly be set against dredging in the basin or entrance channel.

There is a very large traffic in this harbour of native craft; these crawl along shore to cheat the tide or save the wind, just as small vessels do everywhere, and to these a pier would be an unmitigated nuisance.

With respect to making a pier for mails, passengers, and troops only, I do not think it would be worth while, and any attempt to levy a fee on passengers would produce little revenue, and much discontent and grumbling.

The Wellington and Carnac Bunders have landing stairs at which there are 6 feet at low water of springs, and I think there is about half that depth at the Mazagon Bunder.

For the reasons stated, my very decided and matured opinion is strongly against piers.

19. Please illustrate your replies by means of a general tracing on a large scale of the foreshore, and make such further remarks (including observations on the capital to be expended, the interest realizable with reference to the trade accommodated) as you may think bear on the question.

The accompanying plan (Sheet No. 1 of No. 907 in Register) from Mazagon to Colaba, to a scale of 400 feet to an inch, shows the proposed improvements, *i. e.* the Elphinstone Works, the Mody Bay Works, and a pier off the Wellington Bunder; it also shows the foreshore contoured at every foot out to 20 feet at low water.

The plans for Mody Bay are in progress, but though not completed, are so far advanced as to enable an approximate estimate to be framed, and the nature of the works considered.

The small basin at the north end can only be made available for coasting vessels, in consequence of rocks at the entrance, and need not be considered here.

The principal work is an inner basin 2,500 feet long and 500 feet wide, which gives a length of about 5,980 feet of walls in the basin, and an area of about 29 acres, which is almost identical with the Elphinstone Basin.

The entrance basin is 750 feet by 700 feet, containing 1,800 linea feet of wharfage, and 14 acres of area.

The harbour frontage wall is 3,870 feet long, and would have a depth of from 12 feet to 20 feet at low water.

The basins are designed to have a depth of 20 feet at low water.

The cost would be about 1⅓ million sterling, in addition to the 32½ lacs named in para. 8.

There is a great deal more rock in the Mody Bay basin than there is in the Elphinstone Basin, and the position generally would require a different mode of construction to what is proposed to be carried out at Elphinstone. There I propose dams, because the ground is very suitable for them ; at Mody Bay I propose to dredge trenches for the outer walls, and make their foundations of large concrete blocks set by divers.

It is impossible to do this kind of work so rapidly as work in dams can be done, and I think it might take almost double the time to complete the Mody Bay that it would the Elphinstone Basins.

The height of the sea during the South-west Monsoon is frequently 4 feet 6 inches at the entrance to the proposed Mody Bay Basin, when at the same time it would not be above 1 foot 6 inches at the Elphinstone entrance. The entrance basin has been designed so as to reduce the sea, and make it possible for vessels to lie in the inner basin, they could not in such times lie alongside of the walls of the outer basin, nor along the harbour wall.

Commercially I do not think there is much to choose between the two sites. Mody Bay is nearer the Fort, certainly, but though the Fort is where European merchants' offices are situated, and will probably be so wherever the Docks are constructed, the great bulk of the trade is in the hands of natives, and is located in the native town, to the rear of the Musjid Bridge.

The approach channel is much shorter and less depressed under the surface than that to the Elphinstone Basins.

There are thus three schemes for giving deep-water berthage to deep sea vessels, viz. :—

The Elphinstone Basins,
The Mody Bay Basins, and
A Deep Water Pier ;

and I must say I cannot see how it is possible to avoid coming to the conclusion that the Elphinstone works ought to be made as soon as possible, and take precedence of the others.

I have already stated that I consider 12 annas per ton might be put on goods for the use of the basins (extra to the present bunder fees, which are about 6 annas), and 4 annas on the ship. Supposing that there is only a ton of goods carried in every ton of the ship's register, and that 800,000 tons of shipping use the basins annually, we should thus raise 14 lacs per annum. The cost of management of the Elphinstone Estate was about 25 per cent., that of the Clyde Navigation is about 30 per cent. of the revenue ; if we take ours at the latter rate, it will leave about 10 lacs for interest, which is double what is required on the sum necessary to complete the works.

Government is directly interested in these works being carried out, for the following reasons :—

1st. Bombay is the Mail Packet station of India, and the Imperial Government both here and elsewhere have not only contributed towards Mail Packet harbours, but have built many at their own expense, as at Holyhead, Dover, Kingston, &c.

2nd. Government does not insure its stores, and if anything is lost in transit has to bear it, *e. g.*, the big gun which fell overboard the other day ; and besides the extra safety could land its stores cheaper if the ships come alongside.

3rd. In such expeditions as those to Persia and Abyssinia the possibility of being able to lay the ships alongside would save a considerable proportion of the whole cost of the works in one expedition.

The annual instalments now required to complete the Elphinstone works are not large as compared with what the Elphinstone Company spent ; these were as follows :—

1860	Rs.	3,29,692
1861		3,69,174
1862		8,43,507
1863		7,11,839
1864		19,84,624
1865		44,98,593
1866		35,47,017
1867		26,91,072
1868		13,47,512
1869		19,31,274
July 1869 Government offer made.		
1870, 10 months		11,23,738
1871, 11 do.		7,48 146
1872		2,49,268

I believe that if Government had not purchased the property, the works for the deep basins would have been now in full swing, and I think the above statement justifies my belief.

Government had also for several years past being spending money on harbour works in Bombay at

Mody Bay Reclamation,
Wellington Reclamation,
Wellington Bunder,
Apollo Reclamation and
Gun Carriage Reclamation,

to the extent shown in the following statement :—

1866	Rs.	14,05,669
1867		20,94,590
1868		9,05,315
1869		14,94,264
1870		10,40,600

Which gives an average of 14 lacs per annum for the last five years.

This expenditure was stopped about the time the Elphinstone purchase was made—I do not say because of it,—why stop now that the goal is near?

THOMAS ORMISTON,
Chief Engineer.

P. S.—Colonel Fraser has asked me to state my opinion as to

how I should provide accommodation for the crews of vessels lying in the basins.

I do not think it is necessary to make any special provision for them, as I am satisfied the water in the basins will not be offensive, and that the crews may live on board. The diurnal variation of the tide averages about 18 inches at both high and low water, which causes a total change of about 10 per cent. of the whole contents of the harbour every day, and this is the great reason why our harbour waters are so pure. Here is a day's action of the tide, taken almost at random :—

1871 10th January.	L. W. 4-53 A.M. 3 feet 4 under M. S. L. H. W. 10-32 A.M. 5 feet above M. S L. L. W 4-56 P.M. 9 feet 1 under M. S. L. H. W. 11-42 P.M. 7 feet 9 above M. S L.

Suppose we take the average depth of the harbour to be 30 feet at mean sea level, and the bottom as zero, the column of water would have been, at

L. W. 4-53 A.M.	26' 8"	rise	8' 4"
H. W. 10-32 A.M.	35 0,	fall	1 41
L. W. 4-56 P.M.	20 11,	rise	16 10
H. W. 11-42 P.M.	37 9,		

This table shows that all the water that came in on the morning's flood went out on the ebb, and 5 feet 9 inches more of what was previously in the harbour, so that one-fifth of the whole was sent clean out to sea. Again, the afternoon's flood brought in 2 feet 9 inches of fresh water from the sea beyond what went out on the previous ebb.

T. O.

BOMBAY CHAMBER OF COMMERCE, 15*th June* 1872.

To the SECRETARY to GOVERNMENT,
Public Works Department, Bombay.

SIR,—I have the honour, by direction of the Committee of Management of the Chamber of Commerce, to state for the information of His Excellency the Governor in Council, that a Special General Meeting of the members of the Chamber was held on Wednesday, the 5th instant, to consider the questions of the improvement of the Elphinstone Property and the formation of a Port Trust for the conservancy of the port, and the management of all the public wharves and bunders on the foreshore of the Town and Island of Bombay.

2. At the meeting in question, after a full and prolonged

discussion, the annexed resolutions were unanimously passed.

3. In reference to the first resolution requesting that early steps may be taken for placing the management of all the public wharves and bunders, the Elphinstone property acquired by Government, and the general conservancy of the port in the hands of a Port Trust, in which the mercantile community should be largely represented,—

4. I am to remark that the necessity for a Port Trust seems so obvious in itself, and the formation of one is so entirely taken for granted in the correspondence that has passed between the Government of Bombay and the Government of India in settling the various matters that had to be adjusted in connection with the purchase of the Elphinstone property, that the Committee would not have thought it necessary to urge reasons in its favour, were it not that they have learnt with regret that His Excellency the Governor is unfavourable to the proposal.

5. The Committee know of no case in the United Kingdom where the affairs of any harbour of the slightest importance are not managed by a trust or board of commissioners usually composed of persons for the most part unconnected with the Government or the public service, but having an interest in the trade and prosperity of the Port.

6. To such boards, under various Acts of Parliament, extensive powers of borrowing public money for the purpose of harbour improvements in the most extended sense have been granted, subject to the approval of Her Majesty in Council, through the Board of Trade.

7. Under the Harbour Improvement Act of 24 and 25 Vic. c. 47 (1861) large sums have been borrowed and spent by numerous harbour trusts, who are permitted on certain well defined conditions to expend the money so borrowed on harbour improvements according to their judgment.

8. Why a harbour trust board should not work as well in India with strict Government control, as in England with very slight Government supervision, it is not easy to see.

9. There is little to be said either way on an argument from experience in India, but that little is surely in favour of such a trust as the Chamber asks for in the resolution under consideration.

10. It should be remembered that it is still less than forty years since the whole trade of India was a monopoly in the hands of the East India Company, and under this mono-

poly, as regards Bombay, little was done to improve the natural advantages of the harbour, or in reclamation of the foreshore in a period of 200 years.

11. Seven or eight years ago an Act was passed by the Government of Bengal constituting a board of commissioners for the improvement of the port of Calcutta, and this board,—which consists of Government servants and merchants, the latter being the majority,—the Committee are informed, works well, and has already effected important improvements, especially in reference to the landing and shipping of cargo.

12. In 1863 a board was constituted by the Government of Bombay, consisting of Government servants, persons having practical knowledge of marine affairs, merchants and a civil engineer—for the management of the pilotage and lighting of the Port and the control of the Port Fund; and this board, though possessing but limited powers, has always done its work so as to give satisfaction to Government and the public.

13. When the Bunder Fees Act came into operation in March 1871, there was much dissatisfaction at the manner in which Government placed the whole administration for the working of it and the traffic on the bunders under a branch of the Public Works Department.

14. Government was able to secure the services of the experienced traffic manager of the Elphinstone Company for the work; but it is not, and cannot be, satisfactory to the mercantile community that he and the important business which he manages should be merely superintended by a Government engineer officer, however able in his own profession, sitting in an office with no practical knowledge of trade requirements, and who can hardly be expected to have much sympathy with merchants in any difficulties they may encounter.

15. This arrangement was from the first considered objectionable, and has been only quietly acquiesced in, in the belief that an early formation of a Port Trust Board would put an end to it.

16. It has been stated as one objection to the constitution of a Port Trust with mercantile representatives on the board, that the management might be weak, and the policy uncertain and changeable owing to the frequent changes in the mercantile community.

17. But an objection of this sort is more plausible than sound: there are of course frequent changes, but there will always be a considerable number resident from amongst whom Government need have no difficulty in finding gentlemen able and willing to serve on the board; and even the changes that take place will lead to efficiency, as many of those who return to Bombay, return with increased experience in the conduct of such affairs as must largely occupy the attention of a trust.

18. Another objection has been stated to the effect that it is neither right nor expedient that persons unpaid and irresponsible to Government should be entrusted with the expending of large sums of public money, and who, in reference to contracts, might be likely to abuse their position by serving their private interests at the expense of the public.

19. There seems a good deal in such an objection at first sight, but when it is carefully examined and considered, the Committee cannot but think it will be found to be formidable only in theory, and of no force in actual practice.

20. The Committee, I am to observe, can hardly conceive of such acts as are contemplated in the objection mentioned being at all probable under a board constituted by Government, subjected to Government control, with Government servants on the board, and with freedom of action granted to the board, only in matters of detail.

21. It must be superfluous to point out that such an objection would hardly be thought possible in England in the face of such an Act as that quoted above, giving such extraordinary powers for borrowing and spending public money under the sanction of the Board of Trade by a class of men at home of like character to those for whom similar powers are asked for here, for like purposes, and on like conditions.

22. The Committee refrain from laying before Government the serious objections entertained against handing over to a Government Department the management and control of all matters affecting the commerce of Bombay, because they confidently hope that when this important question comes to be thoroughly considered by His Excellency the Governor in Council, he will recognise the necessity of constituting a board for the management of the foreshore, the Elphinstone property, and the conservancy of the port, on which the public, trading, and shipping interest, shall be fully represented.

23. In regard to the second resolution on the subject of the improvement of the Elphinstone estate, the members of the Chamber felt themselves shut out to a great extent, by the previous action of Government in all that related to the purchase of that property, from the consideration of the other plans that have been proposed for the improvement of the harbour and the accommodation of the shipping frequenting the Port.

24. The purchase of the Elphinstone property has burdened the Port of Bombay with a debt of nearly two millions sterling, and to meet the interest on this amount, Government found it necessary to pass an Act for the levy of fees on all public wharves and bunders, including those formerly free, thereby throwing fresh burdens on trade without rendering any additional service.

25. Without considering now the question of Wet Docks in Mody Bay, a subject which was carefully gone into by a Committee appointed by Government in 1867, and decided against at the time mainly on sanitary grounds, there is the important question for consideration whether the construction of Deep Water Basins in Mody Bay instead of Docks would not be the most suitable means of meeting on this point the present wants of the Port.

26. There can be little doubt that, other things being equal, the general convenience of the various trading interests of Bombay would be best consulted by making deep water basins in Mody Bay, and the Committee have reason to believe this site would also be preferable on engineering grounds to that on the Elphinstone property.

27. Unfortunately, however, there are reasons of another character which weigh heavily against the proposal.

28. The Mody Bay reclamation has been going on as a Government work and under Government direction in a fitful irregular way for a period little short of twenty years, and after an expenditure of nearly half a million sterling is not half completed: to complete the reclamation nearly another million would be required, the reclamation would be a work of years, it would have to be completed before the basins could be begun, and all the while the trade of the Port would be burdened with the cost of the Elphinstone purchase, without hope of the slightest relief.

29. In these circumstances, the Committee, I am directed to state, are strongly of opinion that in the public inter-

ests, the only course open to Government is to proceed with the construction of the Deep Water Basins on the Elphinstone property as proposed by Mr. Ormiston, in order that the trade and shipping of the Port may be provided with suitable accommodation, and the land portion of the Elphinstone estate made a source of profit and revenue.

30. The plans of Mr. Ormiston—as explained in detail in his elaborate answers to the questions of Col. Fraser, and otherwise to questions put to him by members of the Chamber on the spot when they were examining and going over the Elphinstone property—appear to the Committee sound and practicable, and every way deserving the support of Government.

31. On certain engineering points that seem to present difficulty, the Committee do not offer any opinion; Mr. Ormiston himself, whose experience in such works is greater than that of any other engineer in the place, sees no difficulty in the matter,—but this is a point specially for the consideration of Government, and His Excellency in Council is doubtless availing of the best professional advice.

32. All the Committee desire to do in reference to this aspect of the question is respectfully to urge that there should be no delay in the disposal of points where there is room for doubt, whether on engineering grounds or otherwise,—as the prosecution and completion of the works referred to, on the conditions mentioned in the resolution, are matters of the first importance to the trading and shipping interests of Bombay.

33. I am in conclusion to request you will be good enough to place this letter before His Excellency the Governor in Council for his consideration, with the least possible delay.—I have, &c.,

JAMES TAYLOR, Secretary.

Proposed by Mr. J. K. BYTHELL (Chairman of the Chamber), seconded by the Hon'ble J. A. Forbes, and carried unanimously :—

"That this Chamber having considered the Report of the Committee of management, the correspondence as published in the Bombay *Government Gazette*, between the Government of India and the Government of Bombay regarding the purchase of the El-

phinstone estate, and the burdens imposed in consequence of that purchase on the trade of the Port :—

"I.—Resolved that the Committee be requested to urge the Government of Bombay to take early steps to place the management of all public bunders and landing places, the Elphinstone property acquired by Government, and the general conservancy of the Port, in the hands of a Port Trust in accordance with the views expressed by the Government of India in the published correspondence, and to provide for the mercantile community being largely represented on the Board.

"II.—That the Committee of Management be empowered to urge on His Excellency the Governor of Bombay in Council the expediency of carrying out the plans proposed by Mr. Ormiston (if convinced of their feasibility) for Deep Water Basins to accommodate the shipping of the Port, with funds to be provided by the Government of India without any charge for interest on the outlay until the basins are ready for use, and that the work be proceeded with and completed as speedily as may be practicable."

(True Copy.)

JAMES TAYLOR, Secretary.

Bombay Chamber of Commerce, 15th June 1872.

MEMORANDUM BY COLONEL ALEX. FRASER, R. E., C. B., ON MR. ORMISTON'S SCHEME FOR DEEP WATER BERTHAGE FOR SHIPS AND STEAMERS IN BOMBAY.

BOMBAY RECLAMATIONS (ELPHINSTONE).

1. Having arrived at Bombay on the 3rd April, I immediately placed myself in communication with the authorities on the second part of my mission to Bombay, which was to confer with the local authorities on the subject of a "steam basin in Elphinstone work." I may state here that the Bombay Government have now submitted to the Government of India a draft Bill for the organization of a Port Trust, which has, I understand, been approved.

2. The Secretary of State's orders seem to dispose of the question of wet docks, on which a Committee reported in 1867, and whether they do so or not the Bombay Government have disposed of it, and I certainly endorse the views of this Government as expressed in the 32nd paragraph of its Resolution (No. 1036 C. W. —3028 of 1867, dated 21st December, 1867) on its Report of the Committee, to the effect that "they are of opinion that a sufficient area of tidal basin, such as that suggested by Mr. Ormiston, and advocated by the section of the Committee that dissents, should be constructed in addition to the boat basins already contemplated." I of course suppose that tidal basins for the largest class of ships or steamers entering the port are meant, that they can be attained without undue expense, and that they can be maintained as regards dredging of silt at no considerable cost.

3. I may here remark that the majority of the Committee mentioned in the last paragraph were in favour of wet docks,—*i. e.*, docks in which ships would be borne on impounded tides, while the minority preferred the existing system of ships lying in the stream,—proper arrangements being made for landing cargo in boats at wharves and boat basins. The Government of Bombay were of opinion that there was no necessity for wet docks (at present at least, 1867,) but that open tidal basins for ships should be constructed.

4. It seems to me clear that, from a sanitary point of view, which formed one of the chief difficulties of the Committee, the objections in regard to wet docks will be entirely met by the construction of deep tidal basins, whereby a deep body of water constantly changed by the ever-varying tides will be substituted for the present exposed mud boat basins, or for the shallower water which would be contained in such basins were they only excavated to the draft of boats. In this respect I have no doubt that the area occupied by a few ships, in deep water at all times, would be more wholesome than the same area occupied by shallower water with numbers of boats and still more numerous crews upon it.

5. The orders of the Secretary of State would apparently limit

further operations to the Elphinstone work. But I would quote observations of the Dock Committee in favour of the Moody Bay reclamation as a site for docks :—

"In concluding its review of the question of wet docks in its commercial aspect, the Committee would point out that Moody Bay is an admirable site for the purposes of trade, being equi-distant from and close to the godowns of the fort and native town, suited alike for the requirements of the English merchant and the native trader." Again—

"When the trade of Bombay has increased to such an extent that there is no longer room for it in docks situated in convenient places adjacent to the trade centres, it will be time enough to construct subsidiary docks in less convenient and more remote situations." And again—

"There can be no doubt that the most valuable wharfage frontage of the whole Island of Bombay is concentrated between Mazagon and the Wellington (Apollo) piers."

Both the Elphinstone and Moody Bay works are situated between these limits, and on this point the Committee went on to say—

"There can be no doubt that, in an engineering point of view, the site of the entrance at Moody Bay is much superior to any other point near the fort or native town, as a channel only 1,000 feet in length will require to be dredged, and that for an average depth of only 3 feet. If the Elphinstone Company carry out their deep-water basins, they will require to dredge a channel about half a mile in length, and even then a depth of only 24 feet at neap tides will be obtained, whereas at Moody Bay a greater depth can be obtained." And again—

"The situations (*i. e.*, those of Moody Bay and Elphinstone works) are equally favourable, but the depth of water and the approaches are superior in Moody Bay."

The members who dissented from the majority of the Committee which reported in favour of wet docks, while viewing the question generally as, stated in paragraph 3, stated, however, that "having regard to the fact that it is desirable to provide accommodation for vessels which it would be convenient to bring alongside a wharf to unload heavy machinery, &c., and still more for the yearly increasing steam traffic, we think it most important that one or more deep tidal basins, in which large vessels could lie, should be constructed. There is no reasonable doubt that this can be done."

6. In 1867, therefore, the question was narrowed to that for providing for some deep ships deep tidal basins, either at Moody Bay or in the Elphinstone reclamation. The Committee recommended the former, especially as the latter was then in the hands of a private company.

7. In 1870-71, however, as already stated, the Elphinstone Company works were taken over by the Government, and the Bombay Government then represented the necessity of provision being made for the better accommodation for the trade of this port, in respect to facilities for landing and shipping cargoes that

8th August 1871.

arrive and depart in steam ships by the Red Sea and other routes. To admit of this, Colonel Kennedy wrote—"It is essential that a pier should be constructed which shall be available for this class of vessels, and which shall extend into deep water, and afford facilities for the largest steamers at all states of the tide."

But it seems to me that this is just the class of vessels for which the tidal basins were intended, and as the pier was to take 264,000 tons, or the total tonnage of steamers then calculated upon as entering the port, the pier would apparently be in lieu of the tidal basins.

8. Hence we have apparently three competitive schemes :—

I. The basin in the Elphinstone work, on which, including the Musjid and Carnac basins and bunders, two millions sterling have been spent, the interest on which the port will have to meet.

II. The Moody Bay basins, on which has been spent about half a million, on which no interest is chargeable to the port.

III. And the pier on which it is proposed to spend 25 or 30 lakhs, on which interest will be chargeable, if it be carried out.

9. It would seem clear that it should be the object of the Port Trust to push forward to completion works which are the furthest advanced, which are in the most favourable position for trade, and for which they are liable to pay interest, without incurring fresh liabilities for a work which would have no connection with the expensive works already undertaken, for which they would also have to pay interest, and which could not be completed probably much before accommodation to a greater extent than that suggested for the pier (six steamers) could be provided in the Elphinstone work. The Musjid basin of 9 acres is alone calculated to hold nine steamers. There is no doubt in my mind that, till the wharf and basin arrangement in the Elphinstone works are completed, the large amount of land which has been reclaimed, and which will, without doubt, become a most valuable property, will remain unsaleable at its real value, and the money expended on it comparatively unproductive. It is considered by Mr. Ormiston that the Musjid basin can be completed in about four years, and the Elphinstone in seven, and as the former will hold a larger number of steamers than the pier will accommodate, it seems on all accounts preferable to press forward these works till they assume a productive condition, if, as before said, it can be done at a reasonable cost.

10. Instead of incurring fresh liabilities in constructing a pier unconnected with the works already in hand, and which in the land estate seem likely to give an early return for the money expended, I think the object of the Port Trust should be to improve the system of lighterage with the new wharfage space, which has been provided, till the deep-water basins are ready. This system was shown to be as bad as it well could be by the Committee of 1867. This improvement would affect the whole shipping of the port, whereas the pier would only affect the steamers, and, I should say, have an injurious effect on the freedom of native craft, which seeks to avoid spring tides in deep water, into which it would be wholly

forced by the projection of so long a pier. The native trade in native bottoms seems to me so great at Bombay that its convenience should be consulted by the Government as much as that carried in large foreign ships.

With such an improvement in the present means of landing and loading goods, I think the trade might well bear the inconvenience of the existing system for the (say) year longer that it would take to construct the Musjid basin than would be required for the construction of the pier.

11. Therefore on all accounts, whether it be in the interests of the trade, or in those of the port, imperially or locally, it seems of the highest importance that the Elphinstone works should be pushed on vigorously to completion at the earliest possible date, and that, considering the large imperial stake, the Government of India would be both wise and safe in lending the money freely on these objects on the security of this very valuable property.

12. It is quite true that the Government of Bombay have lately endeavoured to sell some land (which was put up as a feeler of the public pulse), and that the highest bid was Rs. 25 a square yard, against an upset price of Rs. 40; but, as I have said before, it is not yet time to sell the land; until the works are completed, it will not be saleable for its full value, but once a prospect of a completion of the basins, or of giving other facilities for the landing of goods direct from ships, be made manifest to the public, the land will become highly valuable, and will sell, I should say, at most remunerative rates. It must become, as situated close to docks or basins or wharves for large ships, the most valuable property in all Bombay; and I think it a great pity that either attention or money should be diverted to any other object than that of the prosecution of these works.

* * * * * * * *

13. I think, provided the approaches can be opened with no more difficulty, that the Moody Bay reclamation would have been of the two the better site for the first basin, but its condition is not nearly so advanced as that of the Elphinstone work, and the difference in position is not of importance as compared with early completion. I would, however, recommend some progress with the Moody Bay works to bring it into a condition to supplement the Elphinstone basins should they be practicable. The dredging operations, moreover, to be carried out on the Elphinstone works, may possibly operate favourably and economically in advancing the reclamation of the Moody Bay works; whereas if the latter were put in hand first, the whole of the material dredged from the bottom would have to be carried out to sea, instead of being, as may possibly be the case if the Elphinstone work be first undertaken, deposited in advancing further reclamation.

14. In the 8th Annual Report of the Directors of the Elphinstone Land and Press Company (28th August, 1867), it was said that "it appears that in addition to what has been spent, there is required to complete the whole work a further sum of Rs. 1,30,00,000 which will make a total of Rs. 2,60,00,000 or deducting 10,00,000 for plant in round figures 2½ crores of rupees. Now, the land available for

the company's purposes, after deducting roads, &c., will be as follows :—

		Square yards.
In the Land Estate		*463,960
Do.	Dock.....	396,347
Do.	Graving Dock	27,408
	Total.....	887,715

So that, roughly, the cost of the whole reclamation (including sea walling, construction of dock dredging, &c.) spread over the available area of land may be expected to amount to about Rs. 28 per square yard."

Such completion of the estate involved, however, only "dredging out the basins and the deep-water approach to 13 feet at extreme low water, which gives 24 feet at high water of neaps, and 3½ feet more at springs."

These arrangements were to give 8 acres and 900 lineal yards of wharfage in each of the Musjid and Nicol basins, and 34 acres with 1,650 lineal yards of wharfage in the Elphinstone basin, while the latter could be extended as required by jetties.

The Directors further stated that it was—

"From the sale of the land estate that it has always been contemplated that the means of completing the reclamation should be forthcoming. Three years ago (writing in 1867) it was, they said, sanguinely anticipated that the land, then as it appeared so urgently wanted, would be eagerly bought up as it was produced. The native town seemed pent up to overflowing, traffic was checked, and all sanitary laws placed at defiance by an overcrowding of the population without parallel in the most densely populated European towns. Property stood at an extravagantly high price, and as there seemed inexhaustible wealth available, it was anticipated that, the opportunity being given to it, the native town would at once and spontaneously burst its bonds and spread over the land shortly to be provided. But the crisis which soon overtook Bombay placed an unexpected check over the progress of events, and so far it has been impossible to make any sales of land. But the actual position of affairs has not undergone any intrinsic change. The same overcrowding continues, trade is as pent up as ever, and property in the line of the present foreshore continues to command exorbitant values. The conclusion is inevitable that the present state of depression can be of but temporary duration. It will be found, when the land estate and *its accessories* shall have been completed, it will be readily taken up at prices which will remunerate the Company."

From what I have already said, it will be seen that my opinion is that what the Company expected by the completion of the accessories the Government may also expect, but at the same time I

* The actual amount available now is 487,146 square yards.—(A. F.)

think that one or two portions of the land might be put up to auction *without a reserved price*, or at a small one—say Rs. 25 per square yard. There is no doubt the land is wanted, and an impetus to its sale, after all accessories are provided, is alone required.

The actual building once commenced, the land would, I should say, go off at once; some small portions might well be sacrificed with this object.

15. It would seem from what I have said that I am an advocate for basins, and an opposer of piers, and no doubt, the cost being the same, I am so. But I would here remark that I think the possibility of keeping the basins open from silt without unreasonable cost is open to question. Nothing can be judged from the action of silt in the shallow basins already excavated, as none are dredged out (except the channels to the docks of the Government and P. & O. Company, and the expense incurred in which, especially during the south-west monsoon, is, I believe, considerable*) but are on a level with, or above the level of, the mud banks outside. The action of silt in deep channels dug below such level might be very different, especially when dredged across the tides, and must be confessedly experimental, and should therefore be carried out—if carried out at all—with great caution. It may be possible that a pier system carried out from the Elphinstone work and the railway at Warree Bunder may be the best to start with. From my own experience I don't believe ships can lie alongside any pier south of Cross Island all the year round, by reason of the sea which would often be "on" in the south-west monsoon,† and it would not be a finacially sound arrangement to neglect the works on which so much money has been spent, and which promise so well if more immediately connected with the shipping. But both financially and from an engineering point of view, it might be quite a sound plan to carry out a pier from the Warree Bunder, and another from Musjid Bunder, and connect their heads by similar arrangements—dredging the front for the deepest ships, which would lie alongside such connection comfortably under cover of Cross Island; provided the first cost of the basins and that of after maintenance were likely to prove too great to be in any way remunerative. Of course, dredging in the direction of the tides would be a very different thing to dredging across the tides or in enclosed basins. But on this point I must reserve opinion till I can examine the estimates and borings, and get the Chief Engineer's views.

Cost.

16. In order, however to place what is proposed by the Chief Engineer, Reclamation Works, briefly before the Governor-General, I put certain questions to Mr. Ormiston to be found, with the replies, in Appendix A. From these replies (which I have received subsequently to what I have written in the previous

* Captain Henry informs me that Rs. 15,000 a year is required to keep a channel open 70 feet wide at its narrowest part.

† My statement, Appendix C., shows that the popular idea that there is little trade in that season is fallacious.

paragraphs, but which I see no cause for altering), Lord Northbrook will learn that it is proposed to expend to complete certain works :—

	£
On the Elphinstone Basin	503,146
,, Musjid Basin	243,396
,, Channels	118,907
,, Dredging Plant	120,000
	985,449
Contingencies, at 10 per cent	98,545
	£1,083,994.

or taking out the dredging plant, which would be available for other works, the further expenditure will be about one million sterling.

17. The basins and channels are to be 20 feet deep at low-water spring tides. If the basins be taken out to 24 feet at low water, the extra cost will be £56,258.

Depth.

18. The Musjid basin could be completed in four years, and the Elphinstone in seven years. Money would be required in the following instalments :—

Time for completion.

	£
1st year	180,000
2nd ,,	180,000
3rd ,,	180,200
4th ,,	123,200
5th ,,	120,800
6th ,,	93,400
7th ,,	107,800
	£985,400

19. Say that, with the sums already expended, the entire works will cost three millions sterling. How will they pay ?

Will the works pay ?

Mr. Ormiston shows that the area of the landed estate is 487,146 square yards, which will be worth, according to his view, Rs. 50 per square yard when the basins are made, but take it at half that, £2 10*s.* per square yard, and we should have a million and a quarter as the value. We have a right to assume £2 10*s.*, as that sum was, it is understood, offered at the last auction with the property *in its present incomplete condition*. At this rate for the land estate the completed dock estate would cost 1¼ millions ; but if Mr. Ormiston's figures be taken, the dock estate will be completed for half a million.

Taking, however, the higher figure, the interest on 1¼ millions at 4½ per cent. would be £78,750, or (say) 8 lakhs of rupees.

The length of the walls in the Musjid basin will be 2,620, and in the Elphinstone 5,540 feet, or together 8,160 feet. This would give inside berths to about 40 vessels of 1,000 (registered) tons each. At a meeting I had the honour of attending, on the 9th instant, of the Committee of the Bombay Chamber of Commerce, we came to

the conclusion that 15 days* would be a fair rule to take for the calculation of the time which a ship would stay in dock. Therefore 80,000 tons could be worked monthly in these basins in *inside* berths.

It will be observed from Appendix C., which I have drawn up from Statement A. (Appendix B), being a return of shipping for 1871-72 entered in the Bombay harbour, that this amount of accommodation is within 1,600 tons of being equal to the maximum tonnage in the harbour during the most busy month (of March), when the tonnage last year was 81,638, so that the accommodation, including the outside wall frontage (1,495 feet), is more than equal to the entire present trade.

The Committee of the Chamber of Commerce further agreed with me that the savings in respect of goods landed in basins such as those proposed might be put down as a fair charge on the trade, as follow :—

	Rs.	As.	P.	
Saving in import landing charges, boat hire, hamallage, and cranage	1	4	0	per ton.
† Saving in export cranage.....	0	12	0	,,
By saving in time, pilfering, &c.....	0	5	0	,,
	Rs. 2	5	0	

It was shown that some steamers, such as those of the P. & O. Company, carry less than their registered tonnage ; that others, such as the canal steamers, carry more than double the registered tonnage. Again, many ships discharge at Bombay and go in ballast to the rice ports, and it was agreed that (subject to correction from actual weights and measurements of goods‡) the registered tonnage might be taken as a fair average on which to charge the sum of Rs. 2-5-0 per ton.

Mr. Ormiston says that the average tonnage for the four years from 1867-68 to 1870-71 was 799,314 tons, but that for last year was only 681,682 tons.§ Taking the lowest mark, and we have 681,682 × Rs. $2\frac{5}{16}$, or an income raised of, say, £160,000, against an interest on capital expended of £80,000, and if we deduct 40 per cent. for working expenses, we should clear £16,000 every year.

If, however, we add interest on 2 millions already lent at 4 per cent., and on a further loan of one million at $4\frac{1}{2}$ per cent. to capital, and deduct the annual earnings of the property in the meanwhile, we should find that the property would at this rate do little more than clear the current interest. It does not now do anything like that.

In making the above estimate, however, I have been careful to take the returns at the lowest possible values. First I have adopted a charge per ton on the goods which is, as I understand, approved by the Committee of the Chamber of Commerce. I have not taken into account increase of trade.

* The time is not always regulated by the time of unloading and loading, but by the means of collecting freight ; but some vessels do the work in half, and others in double, and 15 days will be a fair average.

† See paragraph 30.

‡ See Appendix D.

§ See Appendices B. and C.

I have left out all vessels below 100 tons, coasting, &c., and boats which would occupy the basins in addition to the ships, and give a revenue to the extent of a charge probably on 200,000 tons more.

I have taken the lowest possible price for the land estate, and the highest possible charge for working expenses.

I have given all vessels inside berths, and have not taken into account vessels using the outside berths or the outer wharf walls.

As I believe myself that all these items will so advance as to increase income, I believe that the works will fully repay the money expended, while the whole present trade of Bombay will be completely accommodated.

20. Let us, however, take the more favourable, and I admit, from my own appreciation of the property, not unreasonable view of Mr. Ormiston, and let us suppose that money for the further advance of the works to completion is only obtainable at 4½ per cent., and that, on the principle—which is, in my opinion, an incontrovertible one—that the trade wont pay till it gets the *quid pro quo*, interest must be charged to capital. Seven years are required for the completion of the works. Therefore, at the end of seven years, with two millions already advanced, bearing interest at 4 per cent., and the remainder to be advanced as shown in the 18th paragraph, at 4½ per cent., we should have a capital expended at the end of that time, at compound interest, of £3,835,000

The value of the Land Estate at £5 per square yard would be 2,435,000

Cost of Dock Estate £1,400,000

Supposing trade increases within the next seven years so that the basins would be working up to their full power of 80,000 tons per month, or 960,000 tons per annum, then we have an annual income at Rs. 2-5-0 per ton of £222,000

And if we add 4 annas per ton for the accommodation of the ship 24,000

£246,000

Deduct—working expenses, say one-third 82,000

Annual income ... £163,000

or about nine years' purchase.

21. It seems, therefore, undeniable to me that the Government must gain something, and may gain a great deal, while the trade would gain complete accommodation by the completion of these works, and that it would be financially a sound arrangement freely to advance money for their vigorous prosecution.

* * * * * *

The money to be advanced according to the amount entered in the 18th paragraph of this note. * * * *

I should say the actual earnings of the docks might be safely calculated at a mean of the estimates given in paragraphs 19 and 20, and that the repayment of the capital might be looked for in

twenty years, or twenty-seven years from the first further advance of half a million, as proposed in this paragraph.

22. In regard to Moody Bay, a third of a million is required to complete the land estate, and two millions more would be necessary, probably, to complete the dock estate, and it is, therefore, to my mind quite clear—although perhaps Moody Bay might have been a somewhat better position for deep-water basins—that the advanced state of the Elphinstone stone works renders it desirable to complete them first. There is so little superiority in the position that there is nothing to outweigh the advantages to be gained by the early completion of the Elphinstone basins. I should advise, however, that the Imperial Government confine its advances to the prosecution of the Elphinstone works, and that the Port Trust make its own arrangement for the further advance of the Moody Bay works.

23. In regard to the question of a deep-water pier, and after perusal of Mr. Ormiston's remarks thereon, I cannot recommend its consideration at all. It would not meet the requirements of the trade, it would very much interfere with the local traffic, and it would divert money from the more important scheme, having for its object the complete accommodation of the trade nearly as quickly as its partial and uncertain accommodation would be attained by means of a pier. If a pier be put up at all, my opinin is that it should be put up under the lee (north of) Cross Island, with a junction with the Elphinstone works and the G. I. P. Railway; but I do not think it should be thought of while these works remain incomplete.

24. Having therefore satisfied myself of the financial and commercial advantages of completing the Elphinstone works, I turn to the engineering questions involved. With an engineer of Mr. Ormiston's character and experience there can be no difficulty in carrying out the works he proposes as regards the foundations to the walls of the basins, or in excavating the basins to the depth required, and it will be better to consider this on the submission of the complete estimate and specification. There are two points which may, however, be briefly considered here—

I.—The depth of the excavation;

II.—The probabilities of the silting up of the basins and deepened approaches.

25. In regard to the first (I) the extra cost of deepening the excavations from 20 to 24 feet at low water is put down by Mr. Ormiston at £56,300—not much, if it be necessary for ships of the deepest draught. I can agree, considering with 20 feet of water at all times how vessels would be water-borne, that they would not take damage even if they were to touch the ground, provided there were a cushion of mud between the ship's bottom and the rock. Therefore I should say that, provided all rock is excavated at 24 feet, or to 48 feet above the datum, I should not object to the general level of mud both for the basins and approaches remaining, as proposed, at 52.

26. The second point (II.) is that of silt, and is a more difficult one. I don't think much value can be placed on the arguments

from experience as regards the Bombay harbour, as I believe beyond the keeping open the channels to the P. & O. and Government docks, no excavations below the general level of the mud banks of the harbour have been tried. The channel to the Bute dock at Cardiff is, as stated by Mr. Ormiston, a case in point of extreme value if the conditions as to nature of the bottom, &c., be the same. In regard to the basin, I should consider that there would be no more tendency to silt than there would be in the deep water approaches across the tide, while I should also agree with Mr. Ormiston in thinking that in the Musjid and Moody channels there would be little or no deposit in them, because they lie true to the tide and parallel to the walls.

I have no doubt also that the opening of these channels will "train the tide through them," and that "lying as they do in the concave shore, the tendency of the ebb, which is the more powerful current, is to pour through them from the channel between Trombay and Butcher's Island."

The only question with me is whether, owing to the excavations across the tides being below the general level of the mud banks, any movement will take place on the soft surface of these banks tending to fill up the excavation. I have no doubt that if a regular channel were formed with sides revetted to the level of the surface of the mud banks, that the only clearance which would be necessary would be due to the ordinary deposits of silt previously held in suspension in the water, and, as Mr. Ormiston observes, the water is very pure in the harbour, and this deposit would be small, and not worth taking notice of in a scheme of this nature, wherein the constant dredging is admitted to be necessary. Mr. Ormiston argues that whether the sides of the channel be revetted or not, provided a natural slope (*i.e*, a slope where the sides will not slip in) be attained, there will be no tendency to silt up more than is due to the deposit from the water itself. I agree to this, provided such a natural slope can be attained. I also agree that the natural slope will be better than any revetment for the reason given by Mr. Ormiston. The base due to the height of such a slope seems to me entirely to depend on the density of the mud; the nearer this approaches that of the water, provided it be not light enough to be stirred from the bottom by the velocity of the tides, the longer must the base be; but it is quite clear that there must be a limit to this, and that, the limit having been attained, the slope will stand as well as any revetment. I have no reason to doubt Mr. Ormiston's estimate of this limit as 12 to 1, but I should say that it could be easily ascertained by experiment, and as a large interest is dependent on it, I would advise such an experiment being undertaken at once, and that a report be made in submitting the complete estimate. Further enquiry might also be made in regard to the approach to the Bute dock, which is apparently in precisely similar circumstances (perhaps even less favourable, considering the greater velocity of the tides) to that proposed across the tide for the Elphinstone basins.

27. I may remark, therefore, that I see nothing in Mr. Ormiston's projects to prevent their being carried out to a successful

issue, both from a financial and engineering point of view. But delay will be fatal; the works, having been once sanctioned on a complete estimate, should be vigorously prosecuted to the end, the engineering not being dependent in any way on budget arrangement, but only on the labour procurable to carry them out at the earliest possible date. My experience in marine engineering, so far as it has gone, leads me to the conclusion that any stoppage short of the legitimate end is fatal to financial success. Before sanctioning so large an expenditure, the complete estimate, criticised as to rates by the local authorities, might be sent home for comparison with any existing works, and arrangements might be made for collecting materials at once, and for the energetic prosecution of the works after the next south-west monsoon.

28. Were the works about to be undertaken by a private company I should have recommended that the land estate should be kept on hand, and let on long leases, but I think the Trust would do better to sell it outright, putting certain restrictions on the style of buildings to be erected. In order to allow of a free circulation of air, the front line of buildings might be only single-storeyed, or at all events each alternate block might be confined in height. The second line might be two-storeyed, with the alternate blocks three-storeyed, and so on till the native town houses (in Dongree Cooly Street many storeys in height) be reached.

29. It will be observed that I have not taken into consideration the 4 or 5 lakhs which the estate at present clears annually; I would make that over to the Trust * * * * * * * to improve the estate, and to complete the communications with it north and south, and for the erection of such buildings as may be necessary to secure the utilization of the landed property in the best way possible, pending its final disposal.

I see no reason for reducing the charges on the trade so far as Mr. Ormiston proposes, though should the scheme turn out as well as I expect it to do, I have no doubt reduction will be possible. Bearing in mind also that, till the craft now used for loading ships in the harbour be worn out, there may be competition with the basins, it may be advisable to reduce the charges for the first year or two, should the great saving that a ship in the stream will make by being in a basin not be sufficient to induce her to come into the latter.

30. I may explain why I have given twelve annas as the saving on export cargoes, while I have allowed Rs. 1-4 for import. A great quantity of the export cotton at present goes to Colaba to be pressed; to get to the basins it would have to be taken back. Bearing in mind this, and also the fact that annually the cotton is increasingly pressed up-country before it reaches Bombay, but that if the charge for the basin for cotton exported be not reduced below what it would cost to take it on board by boats, vessels would continue to load in the stream, the Committee of the Chamber of Commerce agreed that about two-thirds the saving on the import obtained by using basins might be calculated on, five years hence, for that on the export.

31. I may also explain that the hire of boats, &c., for landing

goods, is at present low, and is calculated at Rs. 1-4, against a usual cost of Rs. 1-8 per ton; but on the other hand, coal can be landed at Re. 1 per ton, and the Committee of the Chamber of Commerce considered Rs. 1-4 a fair average.

32. Finally, I would suggest, as my calculations were only put down by myself after personal discussion with the Committee, the propriety of the Government taking the opinion of the whole Chamber before acting on what I have stated as worth consideration. I think the opinion of men acquainted with the position of the proposed basins, and the value of the property, and the whole bearings of the question as it affects the trade in which they are interested, would be of the highest value and assistance to Government.

ALEX. FRASER, Colonel,
Royal Engineers.

Bombay, 22nd April 1872.

N.B.—Of course the above will be subject to modification should the complete estimates be different to what Mr. Ormiston leads me in his replies to expect, and subject also to a closer inspection of the borings from which Mr Ormiston expects the eastern deep-water approach to be better than the Moody or Southern channel.

Memorandum prepared by the Chairman of the Chamber, Mr. Bythell, on the Registered Tonnage (Outwards and Inwards) of the Port of Bombay, for the year ending 31st March 1872.

Registered Tonnage (net) of the Shipping (excluding vessels under 300 tons) that entered and sailed from the Port of Bombay during the year ending 31st March 1872, and estimated amount of cargo carried.

IMPORT.

During the year ending the 31st March 1872 there entered Bombay—

89	Steamers belonging to the P. & O. Co., of the net register of Tons	139,782	
95	Steamers belonging to the B. I. S. N. Co., of the net register of Tons	60,357	
102	Other Steamers laden, of the net register of Tons..	104,933	
15	,, ,, in ballast ,, ,, ...	15,179	
373	Sailing Ships laden ,, ,, ,, ...	251,610	
6	,, in ballast ,, ,, ...	6,259	
	Total net registered tonnage inwards		578,120

EXPORT.

During the year ending the 31st March 1872 there sailed from Bombay—

90	Steamers belonging to the P. & O. Co., of the net register of Tons	129,440	
89	Steamers belonging to the B. I. S. N. Co., of the net register of Tons...	56,944	
105	Other Steamers laden, of the net register of Tons...	101,533	
15	„ „ in ballast „ „ ...	14,904	
220	Sailing Ships laden „ „ „ ...	210,094	
180	„ in ballast „ „ „ ...	172,175	
	Total net registered tonnage outwards... ..		685,090
	Total net registered tonnage inwards and outwards...		1,263,210

The total net registered tonnage entered inwards and outwards, excluding vessels under 300 tons register, during the year under review, amounted therefore to only 1,263,210 tons, instead of to 1,600,000 as during the three years taken by Mr. Ormiston as an average.

In order to form an estimate of the cargo carried by these vessels, aggregating 1,263,210 tons, I deduct in the first instance as a matter of course all vessels entering and leaving in ballast. The cargo of the laden vessels I calculate as follows :—

179	Steamers = 269,222 tons, belonging to the P. & O. Company. Captain Henry, the P. & O. Company's Superintendent, states that their vessels carry on an average half their registered tonnage, say	134,611
184	Steamers = 117,301 tons, belonging to the British Indian S. N. Company. The Agents, Messrs. W. Nicol & Co., say these steamers carry on an average 10 per cent. more than their register, say...	129,031
207	Other laden Steamers = 206,466 tons. I add to the register of these steamers fifty per cent. in order to arrive at the approximative cargo they carry. A fully laden Canal Steamer will often carry two to two and a half times her register, but many steamers inwards have had only part cargo and some—for example, the 19 Austrian Lloyds and Rubattino Steamers—scarcely any at all. I add therefore 50 per cent., say	309,699
593	Sailing Ships = 461,704 tons. A fully laden sailing ship will carry 35 to 40 per cent. more than her register; but many ships leave for other Eastern ports with only part-cargo, so I add only 25 per cent., say	577,130
	Estimated total gross tonnage of imported and exported goods ...	1,150,471

I think that I have made a full estimate of the gross tonnage of the trade by large sea-going vessels. If the Bunder Fee Department or Customs Authorities succeed

in framing a return of the actual tonnage of imports and exports, I believe it will be found that the figures will be rather under than above my estimate.

I have calculated the steamer ton at 40 cubic feet, the sailing ship ton at 50 cubic feet.

J. K. BYTHELL.

Bombay, 5th June 1872.

APPENDIX B.

DECIMAL SUB-DIVISION OF THE RUPEE.

No. 1354 of 1871.

BOMBAY CASTLE, *30th August*, 1871.

To the SECRETARY CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to forward to you the accompanying copy of a letter from the Government of India, No. 2767, dated 12th instant, and of the papers therein referred to* regarding the decimal sub-division of the Rupee, and to request that you will favour Government with the opinion of the Chamber of Commerce on the subject.—I have, &c.,

W. H. CROWE,
For Chief Secretary to Government.

* These papers are not printed in this Report.—Secretary B. C. C.

Circular No. 2767.

Government of India, Financial Department.
Accounts.

SIMLA, *12th August*, 1871.

To the CHIEF SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed to invite attention to some papers published in the Supplement to the *Gazette of India* of this date, regarding the decimal sub-division of the Rupee.

2. It will be observed that the measure is actually being introduced into Ceylon, apparently with the complete approbation of the people, and that it has been proposed by high authority that the same step should be taken in India.

3. I am to request that an endeavour may be made to ascertain how far a coinage of cents and half cents, which is

all that would be needful at the outset, would be acceptable to the people, and whether it would be generally thought convenient to substitute in accounts a sub-division of the rupee into cents, for the existing sub-division into annas and pies.

4. The opinion of the Chamber of Commerce on the whole subject should, with the permission of His Excellency the Governor in Council, be requested.

5. Upon the completion of any enquiries that may appear necessary, the views of His Excellency the Governor in Council should be reported for the consideration of the Government of India.—I have, &c.,

J. WESTLAND,
Under-Secretary to the Government of India.

No. 259 of 1871.

BOMBAY CHAMBER OF COMMERCE, *5th Dec.* 1871.

The Hon'ble E. W. RAVENSCROFT,
Acting Chief Secretary to Government, Bombay.

SIR,—Referring to my letter of 9th October, I have now the honour, by direction of the Committee of Management, to forward herewith printed copies of minutes made by a few of the members of the Chamber on the question of the proposed decimal sub-division of the Rupee. The Committee regret that only a very small number of the members have recorded their opinions, but the views expressed in the majority of the minutes represent very well the views held by the majority of the members.

I am farther to state, for the information of the Government of India, that while amongst the merchants and bankers generally there is nearly unanimity of opinion in favour of the theory of the decimal system, a majority are strongly of opinion that the introduction into this country at the present time of the decimal sub-division of the Rupee, on the plan proposed in the papers submitted to the Chamber, is neither necessary nor desirable.

In the opinion of the Committee of Management the advantages of the decimal system are greatly exaggerated, and the trifling convenience it might afford to merchants and

bankers in their mode of book-keeping, would be but a poor set-off against the possible danger of arousing the distrust of the people, by upsetting their long-established habits in connection with a matter in which they are specially jealous of Government interference.

The Committee consider the existing monetary system is as well adapted to the wants of the people as a decimal system would be, while its harmony with the English system, of which it is as nearly as may be the equivalent, is a strong reason for its continuance.

There seems no prospect of any change being made in the English system, and in these circumstances, surely change in the Indian system for the mere sake of change is a thing greatly to be deprecated.

The example of Ceylon is cited in favour of the proposed change, but the information before the Chamber on this point shows that the opinion of the mercantile community of that colony was by no means so favourable to the scheme as has been represented to the Government of India.

At a meeting of the merchants of Colombo, held on 20th July last, a resolution deprecating the course pursued by the Ceylon Government in the matter was carried in the following terms:—"That the attention of the Chamber having "been drawn to the papers which have been published by "Government in continuation on the currency question, do "not consider that the memorial of the community and the "Chamber against any change in the currency has received "that consideration at the hands of His Excellency to "which it was entitled, in that His Excellency, in his des-"patches, has slurred over that memorial, while a partial "memorial in favour of a change to decimals is carefully "analysed by His Excellency, and construed into a general "support of His Excellency's own scheme."

But even were the case otherwise, the Committee consider that the introduction of the decimal sub-division of the Rupee into a small place like Ceylon would be no justification for the Government of India disturbing a system which works well, merely to introduce another scheme which no class or section of the people asks for, and whose only advocates appear to be a few able men more enamoured of the supposed perfection of the decimal system than apprehensive of the difficulties that would perplex and trouble Government, should it seek to put it in force.

The Committee are of opinion that no action should be taken in this matter by the Government of India without the fullest enquiry, and they believe that a thorough enquiry of the character suggested by Major Tennant would be the means of collecting information that would be valuable alike to Government and the public, whatever might be its practical bearing on the question under consideration.

In several of the minutes of the members of this Chamber, attention is called to the necessity for a uniform system of weights and measures for India. This subject is one of pressing importance, for there is hardly any question affecting the country at large on which thorough reform is so desirable, but the Committee are not prepared to say without further consideration that change in this matter should assume the decimal form.

In conclusion, I am respectfully to request His Excellency in Council will do the Committee the favour to transmit this letter, with the accompanying minutes, to the Government of India with the least possible delay.—I have, &c.,

JAMES TAYLOR, Secretary.

Minutes by Members of the Bombay Chamber of Commerce on the Proposed Decimal Sub-division of the Rupee.

MINUTE OF MR. W. G. HALL, OF MESSRS. W. NICOL & CO.

Theoretically I think it is indisputable that a decimal system of coinage is superior to any other, and, if combined with a decimal system of weights and measures, it immensely facilitates calculations of all kinds in any branch of trade. Any one who has seen the ease with which a Frenchman, either mentally or on paper, makes a calculation, will be convinced of this.

But, whilst admitting this, it has to be considered whether the advantages resulting from the introduction of a decimal coinage compensate for the very grave inconveniences which will arise whilst the currency is being changed. In England the balance of opinion seems to be that the inconveniences are not compensated for by the advantages afforded by a decimal coinage. I say this because, after much discussion, no change has been made in England. And if in a country where the people have attained the highest point of civilisa-

tion, it seems not advisable to make any change, how much less is it desirable rashly to introduce a new currency amongst a semi-barbarous people! I should be very glad to be convinced that the change could be easily effected; but I deprecate any hasty measures, and think that an enquiry, as suggested by Colonel Tennant, is essential.

I do not quite agree with Mr. Graham as to native accounts being kept in quarters and cents. It used to be so formerly, but my information leads me to the conclusion that this system is gradually dying out. The accounts of the firm with which I am connected have been hitherto kept in quarters and cents or reas, but of late, as the accounts which other people rendered to us have invariably been in annas and pies, the system was so inconvenient, that we now keep our accounts in annas and pies also.

I advocate very careful enquiry, particularly amongst all classes of the native community, before any change is made. Speaking for myself, and the convenience which it would be to every merchant, I cannot doubt the advantages of the decimal system; but the wants and convenience of the great mass of the people is what has mainly to be thought of.

W. G. HALL (Messrs. W. Nicol & Co.),
Chairman of the Chamber.

October, 1871.

MINUTE OF MR. ROBERT CAMPBELL, AGENT, CHARTERED MERCANTILE BANK OF INDIA, LONDON, AND CHINA.

Government interference with the established monetary system of a country can only be justified by absolute necessity, which in the present case does not exist.

The sub-division of the rupee into annas and pies is a system so deeply rooted in the business forms and customs of the people of India, and so identified even with their habits of thought, that it could not be overturned without a violent shock to their prejudices, and without causing widespread confusion and complication. The effects of these would be all the more strongly felt in the case of a people so averse to change, so apt to misconstrue motives, and so jealous of unnecessary interference in their affairs.

But even if such a change were attended with fewer difficulties, there is no adequate reason for its adoption. It is, of course, easy to show by two columns of figures that a

calculation is more quickly worked out by decimals than in any other way, and this is always the argument to which most weight is attached by the supporters of the decimal system. Practically, however, this is a matter of very little importance, as all merchants whose business is extensive have tables which save them the necessity of working out such elaborate calculations. And, besides, the question to be considered is not so much how to promote the convenience of large merchants, who form but a small fraction of the community, but whether the change would bring any adequate advantage to the great mass of the people who never put pen to paper at all. On this point the balance of authority is clearly in favour of the argument that the present system, which is exactly the equivalent of the English system of florin, shilling, six-penny and three-penny pieces, is better adapted than a decimal sub-division for the mental calculations necessary in the every day small transactions of the poorer classes. In proof of this, the extracts from Lord Overstone's draft report, alluded to in Mr. Gay's Minute, are well worthy of attention.

Even if Government were to resolve upon such a change in the currency, it would be impossible to compel people to conform to it, and the result would probably be, that for many years the new system would only be adopted by Government officers and the large merchants in the Presidency towns, while the great mass of the people would refuse to unlearn a system as familiar to them as a second nature, and would continue to keep their accounts and transact their business in the old way. Such a state of matters would be productive of inconveniences which would far outweigh any benefits to be derived from the introduction of the decimal system.

It certainly appears, from the papers forwarded by Government to the Chamber, that the people of Ceylon have been wonderfully unanimous in desiring a decimal sub-division of the Rupee. But that there is also another side to the question is apparent from a document which came into my hands the other day, in the shape of a letter addressed to the Ceylon Banks, protesting against the change; expressing intentions of not conforming to it; and desiring the Banks to continue to keep their accounts in the old way, the Government proclamation notwithstanding. This letter has been signed by a very large number of planters, and by

every mercantile firm in Colombo except two. I append a copy of it, in order that, if the Committee think fit, it may be circulated along with the other papers.

R. CAMPBELL,
Agent, C. M. B. of I. L. and China.

September 1871.

MINUTE OF MR. JAMES DOUGLAS, AGENT, CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

It appears that it is the intention of the Indian Government to introduce the decimal coinage into India.

I fully concur with the promoters of this scheme, that a decimal coinage would be an advantage to any nation adopting it; but it appears that the intention of Government is to issue only a small quantity of copper tokens,—cents and half cents,—so that the scheme is tentative and incomplete; that is, that present copper coinage would run along side by side of the new tokens until the former had disappeared. India would thus have a double copper currency. To estimate the difficulties this scheme will have to contend with on being launched, it may be as well to turn to the Government returns to form an adequate idea of the existing copper coinage. Since 1835, 2,333,739,714 copper pieces have been coined in India. Estimating that half the number has been lost or destroyed, there still remains a formidable aggregate.

The copper coinage in India, as elsewhere, it is almost superfluous to add, is in active circulation; and though the observation is trite, it may be as well to remember that almost none of this coinage, like that of silver, is ever hoarded in the Government treasuries or in native hands, or is either melted or exported, so that in proportion to the silver the copper coinage is an interest of very much larger magnitude affecting many more millions of a poorer and more ignorant and prejudiced class than that touched by the silver coinage. The handlers of the copper coinage in India may be safely estimated at one hundred and fifty millions, and their position in regard to education is represented by the very significant fact contained in the Government returns, that averaging the number of letters that pass the Post Office, each native sends a single letter only once in two years!

The proposed coins are the cent and the half cent.

Present copper coins.				
½ anna, dhubbu, equal to			3·125	Cents.
¼ „	dhirki	„	1·562	
1/12 „	pie	„	·520	

These smaller copper coins are almost exclusively paid as wages, to be again passed from the workman in exchange for his daily food. They represent the exchangeable medium of the most numerous and the lowest retail transactions current in India. The vexation would be in proportion to the number of times every unit in India would have occasion to measure the exchangeable value of the cent and half cent in his daily or hourly purchases. Let any man pass into a new country and see what are his difficulties before he learns the exchangeable value of another coinage than that to which he has been accustomed. How then will the coolie look when brought face to face with an array of decimals? Will it not be the case that the stronger will get the better of the weaker, and the more acute take advantage of the ignorant?

A great deal has been said about the facilities which India offers to decimalization.—"You do not require to touch the silver coins; the natives have a natural aptitude for figures; they have no attachment to the existing copper tokens; they will receive the proposed coins; a knowledge of decimals will enhance their education! it will harmonize with the proposed decimal weights and measures, and none of the objections which apply to England can be urged in India." That India is 6,000 miles from the central authority; that her population is six times greater and more diversified in race and language; and that she is less civilized surely cannot be urged as advantages! There is no occult connection between the natives of India and decimals, that we know of. Some of them keep their books in decimals, and it is a truism to say that decimal coins harmonize with decimal weights and measures. The change ought to begin in the latter; and new universal weights and measures be made imperative over the whole of India.

The framers of this measure, we believe, are acting in a narrow and contracted spirit in dealing with such a great question as the copper coinage of India. Some slight changes they say will require to be made; a few tokens will require to be issued; as if such cheeseparing could have any other effect than producing vexation and petty annoyance to millions of unoffending people. It was otherwise that

Lord Cornwallis dealt in 1790 to 1795 with the silver coinage of India, when he found himself amid 32 different kinds of rupees, the refuse of twenty different dynasties. He called them all in, and declared by law that none else than sicca were recoverable. So it was when the copper coinage of England was called in and the bronze substituted; and if ever a change is accomplished in India, it will be by some such scheme—broad and comprehensive—before it can be effective and complete.

The change is not wanted in India. It would, no doubt, gratify a few theorists and dilettanti in England and elsewhere; but we fear its introduction in its present form is grave enough to be liable to misconstruction by an ignorant population, and to be turned with cruel effect by fanatics against the English Government.

The natives of India for generations have thought in annas, and it has been wisely said "that what is settled by custom, though it be not good, yet at least it is fit; and those things which have long gone together are, as it were, confederate among themselves."

Let us beware how we touch them, and see that the necessity for doing so "be urgent and the utility evident."

The proposed change, according to my opinion, is at present neither desirable nor desired.

JAMES DOUGLAS,
Agent, C. B. of I., A. and China.

September, 1871.

MINUTE OF MR. F. T. ATKINS, MANAGER, AGRA BANK, LIMITED.

The question of the decimal sub-division of the Rupee is one affecting chiefly the masses of the people of India. Any innovation, the advantage of which is not on the face of it apparent, is almost certain to be regarded with suspicion, and to be strenuously opposed by the ignorant classes.

If, then, men of education and ability hold such opposite views on the subject as are to be found in the foregoing papers, it cannot reasonably be expected that the poor and uneducated would look with anything but dissatisfaction upon a revolution in the subsidiary coinage to which they and their ancestors for generations past have been accustomed, and the object of which revolution they could not comprehend.

Even were the decimal system beyond doubt superior to the existing one, as a system for the people, it would, I think, be a question for serious consideration whether, in the face of the ignorance and prejudice of the lower orders, it would be desirable to introduce it.

With a decimal system of weights and measures a decimal coinage might be of advantage; but with the present weights and measures it appears to me that, for the petty every day transactions of the shop and the bazaar, in which as a rule all calculations are made mentally, a decimal coinage is not so suitable as the existing one.

FRED. T. ATKINS,
Officiating Manager, Agra Bank, Ld.

Bombay, October 1871.

MINUTE OF MR. JAMES N. GRAHAM, OF MESSRS. W. & A. GRAHAM & Co.

Decimal calculation, at any rate as far as the Bombay Presidency is concerned, is no novelty, but has long been the regular system in use among the Native merchants who keep their books in rupees, quarters, and cents.

Of the four new coins proposed by Sir W. R. Mansfield, three already exist in name

The Fuddœa or Suwakha	about 4 pie or 1-50th of a rupee.
The Dokra or Dookanee	,, 2 pie or 1-100th.
The Urdhee or pie	,, 1 pie or 1-200th.

The dokra is, in fact, the cent., although now obsolete as a coin, at one time actually existed. The proposed change, therefore, instead of being an innovation, would merely assimilate the coinage to the already existing system of keeping accounts among the natives.

Theoretically the decimal system is of all others universally admitted to be the least intricate, and for this reason commends itself as the best adapted for the coinage of such a country as India. Practically, the bases for the adoption of such a system already exist, and if the Government consider the change practicable and consistent with general economy, &c., &c., the mercantile classes, without perhaps being very enthusiastic on the subject, will, I think, look on the new order of things as a decided improvement.

JAMES N. GRAHAM,
Messrs. W. & A. Graham & Co.

October 1871.

Minute of Mr. W. F. Peel, of Messrs. Peel, Cassels & Co.

Decimal coinage has been rejected in England, and I think that any radical change in the currency would be still more objectionable and more difficult to carry out in a country of such magnitude as India, with a population so ignorant and conservative as the masses are. But on the other hand, as Mr. Graham points out, the Natives do already make use of decimals, I believe (although the coins he mentions are not the exact decimal parts of the rupee as stated by him). The masses are chiefly concerned in the proposed change, and should be first considered, for, to quote Lord Overstone, "The grand test of the value of the rival systems of coinage "is the readiness with which they may be adapted to mental "reckoning, specially to such short computations as occur "on all retail purchases," and it appears to me that Government are in the best position, through their own officials, to ascertain whether the change would be acceptable to the people. I think therefore that the Chamber should urge upon Government the importance of making a close inquiry on this point before attempting the proposed scheme. Speaking as a merchant, the change, though it might eventually be convenient, would involve considerable inconvenience at first, and I do not think that merchants are at all anxious for it. In my opinion universal decimal weights and measures are more essential, and I should be glad to see that change accomplished.

W. F. PEEL,
Messrs. Peel, Cassels & Co.

Bombay, October 1871.

Minute of Mr. H. D. Dods, of Messrs. Hutchison, Dods & Co.

So long as the rupee unit is retained, it seems to me that its sub-division is not a matter of very vital importance. At the same time, I think that the change now proposed is impolitic and quite uncalled for.

The decimal system is excellent in theory, and possibly, after about twelve months of intense annoyance and trouble, merchants, bankers, and educated people generally would find it simple in practice, and an improvement on the present system of annas and pies. The great mass of the

people, on the other hand, who have been accustomed to calculate in the present currency, would find the change intolerable, and would, in all probability, not adopt it during the next fifty years. The Natives are so thoroughly accustomed to the ruling subsidiary currency, that they do not find it practically inconvenient, and the ease with which uneducated men can calculate mentally in annas and pies, must have struck all Europeans with astonishment.

It must be borne in mind that the vast majority of the people of this country have to trust exclusively to mental calculations, and if any one who has not previously studied the subject will try to realize mentally the advantages of the decimal system, he may then have some faint idea of the difficulty with which the ignorant class of Natives would have to contend.

The examples printed in the papers submitted by the Go-ment of India show at a glance any advantage which there is in the decimal system; but to understand the working and realize the advantage mentally is a matter of considerable difficulty, and this is what must be expected of the uneducated portion of the people, who constitute the bulk of the population, and whose mental capacity is presumably the weakest.

The movers in the matter should let well alone; but if they must introduce some novelty, let them turn their attention to devising a uniform system of Indian weights and measures. Every one, high and low, understands the present coinage, and few object to it, while literally no one can fathom the weights and measures, and all are confused and annoyed by them.

HENRY D. DODS,
Messrs. Hutchison, Dods & Co.

Bombay, November 1871.

MINUTE OF MR. THOMAS WILSON, OF MESSRS. RENNIE, SCOVELL & Co.

I do not see much advantage to be gained by a decimal sub-division of the rupee unless it is accompanied by a decimal re-arrangement of weights and measures. The rupee of 16 annas divisible into halves, quarters and eighths in unbroken annas, and the anna of 12 pies divisible into halves and quarters in unbroken pies, are both extremely convenient coins for shopkeeping and household purposes, *i.e.*, for all the purposes of at least 90 out of every 100 of the

population. I attach little importance to the convenience which, it is alleged, would be felt in reckoning and in book-keeping. No doubt some fractions of time would be saved, but practically calculations are, to the man of any training, as easy by the present as they would be by the proposed system.

When the people are better educated, then the question of introducing uniform decimal standards of weights and measures may be discussed; and when such standards are adopted, a decimal coinage will be their natural compliment. Meantime I am not sure that a change would not cause loss, as it certainly would inconvenience to the poor and uneducated, and it is their interests which should, in my opinion, be most considered in the matter.

T. WILSON,
of Messrs. Rennie, Scovell & Co.

Bombay, November 1871.

MINUTE OF MR. B. BEYNON, OF MESSRS. BLASCHECK & CO.

I am in favour of the decimal sub-division of the rupee.

I consider that so far as native prejudices are concerned, the present is at least as favourable, perhaps more so, than any past time for the introduction of change. It seems to me that too much is said about Hindu conservatism in several of the opinions given in the papers submitted to the members of the Chamber, both printed and written, and too little about the broader question "whether it would simplify the operations of trade from the office of the great banker or merchant down to the humble shop-keeper in the native bazaars." I do not believe that the imposition of a simpler metal currency would be condemned by native commercial judgment. The quite uneducated natives would, no doubt, be puzzled much at first, but even they would get used to the change in time, and that not a long time, once they found that Government had ordered the new coins.

Together with the decimal sub-division of the rupee, I desire to see its decimal multiplication in gold. All new coins would then, of course, be made legal tender to the exclusion of old currency (the rupee only excepted) which would be promptly withdrawn from circulation.

BRERETON BEYNON,
November 1871. of Messrs. Blascheck & Co.

MINUTE OF MR. S. J. BEHREND, OF MESSRS. BEHREND BROS.

I am decidedly against the introduction of the decimal coinage. The theoretical advantages to be derived from the proposed decimal system are completely outweighed by the enormous practical drawbacks fully set forth by Messrs. Campbell, Douglas, and other gentlemen. The official papers must fail to convince any practical man.

The Ceylon Director of P. W., in his report to the Colonial Secretary, enumerates the only difficulties under 2 heads :—

1*st*.—The adjustment of stamps and tolls. 2*nd*.—The circulation of coins of the two systems at the same time and the adjustment of small rates, and considers that *only the first requires serious consideration.* Colonel Strachey, in his report, protests against interrogating ignorance, and only wants to consider "how ignorant people can be got to leave off habits—the result of ignorance."

Surely reasons like these cannot stand by the side of the broad practical grounds so ably set forth, in Lord Overstone's draft report—and in my opinion the reasons therein adduced against the introduction of the decimal system in England apply even with far greater force to this country.

As a, perhaps, interesting and not generally known illustration how slowly a transition is effected, I may mention from personal experience that in the interior of the Cape Colony,—although now for generations under British rule, and the English coinage, the only circulating medium, —still trade is almost generally carried on by the old system of Rigsdalors (1s. 6d. sterling) which is the only standard of calculation of the Dutch Boers, and the books of a great many English shop-keepers are still kept in Rigsdalers and its sub-divisions (stivers and dents).

To a merchant the decimal system if feasible could only be welcome, but to the millions it would be a source of endless confusion, suspicion and discontent.

S. J. BEHREND,
of Messrs. Behrend Brothers.

November 1871.

APPENDIX C.

THE INDIAN SILK TRADE AND SERICULTURE IN WESTERN INDIA.

No. 123.

16th October 1871.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to invite attention to the communication marginally noted,* and to request an early reply thereto.—I have, &c.,

J. GEOGHEGAN,
Under-Secy. to the Govt. of India, Dept. of Agriculture, &c.

* No. 72, dated the 31st August 1871.

No. 72.

Extract from the Proceedings of the Government of India in the Department of Agriculture, Revenue, and Commerce; dated Simla, the 31st August 1871.

READ again the following papers:—

Demi-official letters to Local Governments and Administrations, dated 23rd June and 5th August 1871.
From Government of the Punjab, No. 1213, dated 8th July 1871.
To ,, ,, No. 47, dated 3rd August 1871.
Despatch to Secretary of State, No. 1, dated 3rd August 1871.
Demi-official letter to Honorary Secretary, Silk Supply Association, dated 24th August 1871.
From Government of Bengal, No. 2996, dated 10th August 1871.
From ,, ,, No. 2512, dated 22nd August 1871.
From Government of Bombay, No. 2998, dated 22nd August 1871.
From Chief Commissioner of Oudh, No. 3933, dated 23rd August 1871.

Read also a paper by Captain T. Hutton, Corresponding Member of the Agricultural and Horticultural Society of Bengal, containing Notes on the Indian Bombycidæ, dated 26th July 1871.

OBSERVATIONS.

THE Government of India has been recently endeavouring to acquire full information as to the present state and prospects and past history of the Indian silk trade, in view to ascertaining the best practical methods of developing it, and improving sericulture generally in India.

2. Amongst other papers received from various sources,

Captain Hutton has forwarded a paper on the Indian and Asiatic species of the Bombycidæ, to which it seems desirable to give early publicity.

3. Much, it is believed, may be done towards both increasing and improving the silk produce of India; but one of the first essentials to any successful action in these directions is complete information as to all that has yet been done, or attempted in India in this matter. A good deal of useful information has been gleaned from the records of the Government of India, and some few papers have been received from local Governments and private individuals; but much more is, it is believed, available, which His Excellency the Governor-General in Council is anxious to obtain, and in the collection of which he would invite the co-operation of the public generally and all Government officers.

ORDER.—Ordered, that this Resolution and Captain Hutton's Notes on the Indian Bombycidæ, be published in the Supplement to the *Gazette of India*, and that the several Local Governments and Administrations, the public generally, and all Government officials be invited to furnish the Government of India in the Department of Agriculture, Revenue, and Commerce, with any information (whether in print or in original manuscript) of which they may be in possession, in regard to sericulture in India, and the Indian silk trade, past and present.

Ordered also, that the thanks of the Government of India be conveyed to Captain Hutton for his monographic sketch of the Indian Bombycidæ.

Ordered also, that a copy of this Resolution and of Captain Hutton's Notes on the Indian Bombycidæ be forwarded to the Local Governments and Administrations noted in the margin, to the Chambers of Commerce, Madras, Bombay, and Bengal,—to the Agricultural and Horticultural Societies of Madras, Bombay, Bengal, the Punjab, Oudh, and Central Provinces, and to Captain Hutton.

Government of Madras.
" " Bombay.
" " Bengal.
" " N. W. Provinces.
" " Punjab
Chief Commissioner of Oudh.
" " Central Provinces.
" " British Burmah.
" " Mysore and Coorg.
Resident at Hyderabad.

(True Extract.)

A. O. HUME,
Secretary to the Govt. of India.

No. 268 of 1871.

BOMBAY CHAMBER OF COMMERCE, *28th December* 1871.

To the SECRETARY to the GOVERNMENT of INDIA,
Dept. of Agriculture, Revenue, and Commerce, Calcutta.

SIR,—I am directed by the Committee of Management of this Chamber to acknowledge the receipt of "Extract of Proceedings of Government of India, in the Department of Agriculture, Revenue, and Commerce," dated 31st August last, and your subsequent letter of 30th ultimo, asking to be furnished with any information in possession of the Chamber regarding sericulture in this part of India, and the Indian silk trade, past and present.

In reply, I am to state, for the information of the Government of India, that attempts were made in various parts of the Presidency of Bombay, chiefly in Guzerat and the Deccan, to grow the mulberry and to produce silk, some thirty years ago: many of these experiments seemed to promise for a time remarkably well, and good samples of the silk produced were on various occasions submitted to the Chamber for opinion; but in the course of a few years the experiments dwindled and died away without leaving any permanent results, and at the present moment there is no production of raw silk in any part of the Bombay Presidency. As regards the cause or causes of the failure of experiments that at one time appeared so promising, the Committee of the Chamber can offer no opinion, but information on this important question can no doubt be had from the records of the local Government, as almost all the experiments carried on were of an official or semi-official character, and the persons in charge submitted periodical reports to the Bombay Government.

The latest information on the subject in the records of the Chamber refers to a communication from the Bombay Government in February 1846, submitting copy of a letter to the Revenue Commissioner S. D., requesting the opinion of the Chamber as to the encouragement which the mercantile interests of the Presidency could afford for encouragement to the production of silk in the Deccan: the character of this communication and the views of the Chamber thereon will be seen in the extract from the Report of the Chamber for 1845-46, herewith annexed.

There is, at the present time, an extensive manufacture of silk cloth, and also of silk and cotton cloth throughout the Bombay Presidency, and parts of the Central Provinces with which we have close connection. The manufacture is all done by hand-loom weaving throughout the silk manufacturing districts.

At Surat and Ahmedabad in Guzerat, in the Southern Mahratta Country, and in the districts around Nagpore and Yewla in the Central Provinces, silk looms are very numerous.

Silk is largely used in the ends and borders of sarrees, dhootees, and cholee-cloth, the centre being made of cotton. In the manufacture of severals kinds of kinkobs, musroo, &c., silk and cotton are mixed. The whole of the articles manufactured are consumed within the Presidency or the districts of country adjoining,—as there is no export trade in any of these manufactures.

The raw silk used in the various manufactures above mentioned is mainly imported from China. There is very little of Bengal raw-silk imported into Bombay, but there is a considerable import business in Bengal manufactured silk goods, as also of silk piece-goods from China.

The China raw silk brought to the Bombay market is chiefly of the kind known as punjum, valued according to quality at Rs. 1¼ to Rs. 1¾ per lb. Superior varieties of raw silk, valued at Rs. 7 to Rs. 9 per lb., are also imported from China, but in much smaller quantities.

Fine raw silk is also imported from the Persian Gulf, and is much in favour with the Ahmedabad manufactures of fine kinkobs.

The foregoing is the substance of the information in possession of this Chamber on the subject of sericulture and the silk trade in this part of India, but should there be other points on which you desire further information, it will afford pleasure to the Committee to do all in their power to supply it on hearing further from you on the subject.—I have, &c.,

JAMES TAYLOR, Secretary.

Extract from the Report of the Chamber for 1845-46.

Silk.

Your Committee received, in February last, a letter

from Mr. Secretary Townsend, forwarding copy of a letter addressed by Government to the Revenue Commissioner in the Southern Division, and requesting the opinion of the Chamber on the subject therein referred to, viz., "Whether the mercantile interests of this Presidency would afford encouragement to the production of silk in the Deccan by offering a certain market for any given quantity of silk that may be produced during a series of years in the Deccan." In reply to this communication your Committee expressed themselves as follows:—

"The Committee desire me to state, for the information of the Honourable the Governor in Council, that they would be most happy to afford any description of legitimate aid in their power towards the promotion of silk culture in the Bombay Presidency, but that they are at a loss to conceive how the proposition, now brought under their notice, could be carried out with the least prospect of success. That silk suited for European manufacture would always find a ready sale in this market there can be no doubt whatever, but the price to be obtained for it must of course be governed by the varying circumstances of trade; and considering the degree of fluctuation in value to which the article is subject, no mercantile firm or body would be justified in engaging for a series of years to take a given quantity at a fixed rate, which is the course they understand to be suggested by Government. The adoption of such a system seems rather calculated to withdraw from those engaged in the culture the incentive to exertion which they at present enjoy, than to impel them to fresh and more extended efforts. Besides, the difficulty of fixing a rate which would, in the long run, secure a fair profit to the producer on the one hand, while it secured the merchant against loss on the other, presents an obstacle which would be well nigh impossible to overcome.

"The Committee are of opinion that if the silk produced in the Deccan should fail, after a fair trial, in obtaining such a market at Bombay as would of itself remunerate the producer, any factitious aid that could be rendered by the merchant would only tend to create delusive hopes of success, and thereby lead, ultimately, to greater loss and more severe disappointment."

(True Extract.)

JAMES TAYLOR, Secretary.

FORT WILLIAM, *20th January* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to acknowledge, with thanks, the receipt of your letter of the 28th ultimo, furnishing information in respect to silk trade in Bombay.—I have, &c.,

P. WHALLEY,
Offg. Under-Secy. to the Govt. of India,
Department of Agriculture.

Extract from the Proceedings of the Government of India, in the Department of Agriculture, Revenue, and Commerce; dated Simla, the August 1872.

READ again the following papers regarding silk cultivation in India:—

Despatch from Secretary of State, No. 27, dated the 31st March 1869, with enclosures.
Reply to ditto, No. 31, dated 12th May 1869.
Circular Nos. 273-80, dated 20th May 1869.
Resolution Nos. 61-79 A—80, dated 31st August 1871.

Read an account of Silk in India by Mr. J. Geoghegan, Under-Secretary to the Government of India in this Department.

RESOLUTION.

The high price of silk, arising from the ravages of disease in the silkworm in the countries formerly contributing the greater portion of raw silk for European consumption, naturally roused attention to the possibility of rearing healthy broods in regions hitherto untried, or of extending the productive powers of silk-producing countries still unaffected by the taint. In furtherance of these objects, a Silk Supply Association was formed in England on a basis analogous to that of the Cotton Supply Association, and India was the quarter to which the new Association turned its attention.

2. The Association accordingly applied to the Secretary of State for assistance in its efforts to stimulate and increase the production of silk in India similar to that afforded to the Cotton Supply Association.

3. The Secretary of State with his (Revenue) despatch No. 27, dated the 31st March 1869, forwarded, for the information of the Government of India and for such consideration as might be deemed requisite, copy of the papers relating to the formation of the Association.

4. The Government of India wrote to the Secretary of State in reply, assuring His Grace of his appreciation of the

importance of the objects for which the Silk Supply Association had been established, and offering to render all the aid in its power to promote and extend the cultivation of silk in India and to improve the quality of the article.

5. The correspondence with the Secretary of State was then circulated to the several local Governments and Administrations in the Bengal Presidency, with a request that they would give publicity to the proceedings of the Association, the papers being at the same time published in the Supplement to the *Gazette of India*.

6. But the first thing needful before taking action towards the further development of the silk industry in provinces where it already exists, or of its extension to other provinces where it is not yet established, was to collect such information as was attainable in regard to past attempts to foster sericulture in India, the degree of their success, if successful, and the causes of their failure, if the reverse, together with materials for a general review of the present position of all industries connected with silk in India.

7. Accordingly all available records were got together, and a circular was addressed to local Governments and Administrations, in which the following points were noted as those on which information was desired :—

"Places where silk culture has been pursued, with particulars of climate.

"Extent of land under cultivation in mulberry or other food for silk-worms.

"Quantity of silk produced.

"Quantity and price of silk produced.

"Kinds of silk-worms kept, with their scientific names.

"Method of rearing the worms.

"Method of reeling the silk adopted.

"Particulars as to extent of European enterprise.

"Amount of silk woven on the spot and nature of fabrics.

"Quantity and value of silk exported (1) by sea, (2) by land.

"Full particulars of any attempts or experiments made during the past thirty years, whether by Government or by private persons, with a view to improve or extend the culture.

"Opinions of qualified persons, official and non-official, (whether in regard to stock of worms, their food,

mode of rearing, manipulation of silk, or on any other point,) and improvements recommended."

8. The replies received to this call and such other records as could be obtained from any quarter were entrusted to Mr. J. Geoghegan, Under-Secretary to the Government of India in this Department, for the purpose of compiling a careful account of silk in India, especially of the various attempts that had been made to encourage and extend sericulture, so as to assist the Government in coming to a decision as to the action (if any) which it might be expedient to take in the matter of promoting sericulture.

9. Mr. Geoghegan has accomplished this laborious task in a very creditable manner. The work produced by him is interesting and valuable, and it will materially help the Government of India in coming to a decision as to the steps to be taken in this important matter. The Governor-General in Council accordingly desires that the thanks of this Government be conveyed to Mr. Geoghegan, and that the compilation be circulated to all local Governments and Administrations, the Chambers of Commerce, and the several Scientific and Agricultural Institutions noted in the accompanying distribution list, with a request for further information or for any additions or corrections that may suggest themselves.

10. His Excellency in Council also requests that Mr. Geoghegan will be good enough to continue to devote his attention to the subject with the special view of producing hereafter a more perfect second edition of his work.

ORDER.—Ordered, that a copy of the foregoing Resolution and of the compilation be sent to the several local Governments and Administrations, the Chambers of Commerce, and the Scientific and Agricultural Institutions named in the distribution list, for the purpose indicated in paragraph 9.

Ordered also, that a copy be forwarded to Mr. Geoghegan.

No. 279 of 1872.

BOMBAY CHAMBER OF COMMERCE, *16th September*, 1872.

To the SECRETARY to the GOVERNMENT of INDIA,
Dept. of Agriculture, Revenue, and Commerce, Simla.

SIR,—I am directed by the Committee of Manage-

ment of this Chamber to acknowledge with their best thanks the receipt of two copies of the valuable Report on Silk in India, together with the Resolution of the Government of India thereon.

Referring to page 42 of the Report, where, in reference to the communication sent to the Government of India by this Chamber regarding the silk trade in this Presidency, it is said "the Chamber seems to have overlooked the imports from Mysore,"—I am desired to state, for your information, that this is not the case, as the point in question was fully before the Chamber when the subject of the silk trade of this part of India was under consideration.

Mysore silk used to come from Bangalore via the Malabar Coast to Bombay for further transmission to Guzerat, and this silk was considered equal to Bengal, but for the last ten years no Mysore silk has been sent to Bombay. When the crop is large in Mysore there is only a small export of China silk to those districts adjoining Mysore, where there are silk manufactures, that is, to the Dharwar, and other districts, of the Southern Mahratta Country.

The Committee are informed that should there be a large crop in Mysore in the current year, there is a probability of a portion coming to Bombay.

Good Mysore silk went to England some seventeen years ago, but it was not liked, and there has been no export to England now for many years.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX D.

HIGH TARIFF VALUATION OF PUNJUM SILK.

No. 257 of 1872.

BOMBAY CHAMBER OF COMMERCE, *26th August* 1872.

To the ACTING CHIEF SECRETARY to GOVERNMENT,
Revenue Department, Bombay.

SIR,—The attention of the Chamber has been directed by some of the importers of Punjum silk from China, to the high tariff valuation now placed on this staple, which tells very injuriously on the trade.

It has been stated to the Committee of Management by one of the principal importing firms that the present tariff valuation of Punjum silk is Re. 1-12 per lb., whilst the average market value of the 5 grades comprising a consignment is only Re. 1-4 per lb.

It is further stated in evidence to the Committee of the Chamber, that the Market for this silk is dull and weak, and that the burden imposed by the high tariff valuation, affects the consumption and causes loss to importers.

I annex a memorandum of the average market value of Punjum silk for the last five years for the information of Government. The Committee are of opinion that the facts shown in the memo. seem to make out a good case for a reduction of the tariff valuation in an article of trade which has been languishing for some time, and which those specially interested consider is likely to be extinguished unless relief on the point referred to is speedily given.

I am, in conclusion, respectfully to express the hopes of the Committee that His Excellency in Council may be pleased to take the matter into his early and favourable consideration, with a view to representing to the Go-

vernment of India, the desirability of a reduction being promptly made.—I have, &c.,

JAMES TAYLOR, Secretary.

Memo. of average Market value of Punjum Silk.

Year	Rs.	as.		
1868	2	3	per lb.	Tariff value Rs. 1-12.
1869	1	15	„	
1870	1	14	„	
1871	1	8	„	
1872 up to date	1	8	„	

No. 4945 of 1872.

BOMBAY CASTLE, *4th Oct.* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to your letter dated 26th ultimo, I am directed to inform you that a copy thereof has been forwarded to the Government of India, with an expression of the opinion on the part of this Government that the tariff value on Punjum Silk should be reduced to one and a quarter rupee per lb.—I have, &c.,

F. R. S. WYLLIE,
For Ag. Chief Secretary to Government, Rev. Dept.

APPENDIX E.

MARINE COURTS OF ENQUIRY.

No. 188.

BOMBAY CASTLE, 13*th January*, 1872.

To the SECRETARY to the CHAMBER of COMMERCE.

SIR,—I am directed to transmit the accompanying copy of a letter from the Government of India No. 115, dated 21st December last, and of its accompaniments,* relative to a proposal for amending the existing law respecting the constitution of Marine Courts of Enquiry, and to request to be favoured with the opinion of the Chamber of Commerce on the proposal.—I have, &c.,

*Not printed—Secretary B. B. C.

W. M. MACDONALD, Major General,
For Secy. to Govt., Marine Dept.

No. 115.

FORT WILLIAM, 21*st December* 1871.

To the SECRETARY to the GOVERNMENT of BOMBAY,
Marine Department.

SIR,—I am directed to forward copy of a letter from the Chief Secretary to the Government of Fort St. George, No. 322, dated 24th November 1871, submitting a proposal of the Madras Chamber of Commerce for amending the existing law respecting the constitution of Marine Courts of Enquiry, and to request that the Right Hon'ble the Governor in Council may be moved to favour the Government of India in this Department with his opinion, accompanied by that of the Chamber of Commerce, as to the necessity or advisability of the proposed change.

2. The favour of an early reply is requested.—I have, &c.,

B. E. BACON, Colonel,
Dy. Secy. to the Govt. of India, Marine Dept.

No. 432.

BOMBAY CASTLE, *16th April* 1872.

To the SECRETARY, CHAMBER of COMMERCE.

Letter from the Secretary to the Chamber of Commerce, dated 21st February 1872.

Letter from the Master Attendant and Conservator of the Port, No. 313 dated 23rd February 1872.

Letter from the Government Solicitor, No. 233, dated 29th February, covering Advocate General's opinion, No. 11, dated 28th February 1872.

Letter from the Chief Magistrate of Police, No. 116, dated 5th March 1872.

Letter from the Superintendent of Marine, No. 173, dated 28th March 1872.

On the proposal of the Madras Chamber of Commerce for amending the existing Law respecting the constitution of Marine Courts of Enquiry, referred to in Government Resolution No. 188, dated 13th February 1872.

RESOLUTION.—Copies of these opinions will be sent to the Government of India. It will be added that the opinion of Government is concurrent with that of the Bombay Chamber of Commerce, *i.e.*, that the Court should consist of at least three persons instead of being limited to two as at present; that two should be conversant with nautical affairs; and that although under carefully restricted selection a mercantile man might be added, yet there is no sufficient need to make the presence of a Mercantile Assessor a legal necessity.

J. MACDONALD, Lieut.-Col.,
Secy. to Govt., Marine Dept.

BOMBAY CHAMBER OF COMMERCE, *21st February* 1872.

To the SECRETARY to GOVERNMENT, Marine Dept., Bombay.

SIR,—I am directed by the Committee of Management of the Chamber to acknowledge receipt of your letter No. 188, dated 13th February 1872—but only received on the 17th instant, forwarding copy of a letter from the Government of India with accompaniments from the Madras Government and Madras Chamber on the existing law respecting the constitution of Marine Courts of Enquiry, and

requesting to be favoured with the opinion of the Chamber thereon.

In reply I am to state for the information of His Excellency in Council, that this Chamber expressed its views to Government on the subject in question in a very definite manner—nearly four years ago; see letter from the Chamber No. 59 of 1868, dated 11th May 1868, to Government in the Judicial Department, and also the views expressed on the subject by the Committee in their report to the Chamber in September 1868, see pages 14 and 15 of the annual report of the Chamber for 1867-68—in which the letter above referred to will also be found.

To the views then stated the Committee have nothing to add, but to express their regret that nothing should yet have been done to remedy the evil to which attention was then so pointedly drawn.—I have, &c.,

JAMES TAYLOR, Secretary.

P. S.—A copy of the letter referred to is herewith annexed.

No. 59 of 1868.

Bombay Chamber of Commerce, 11*th May* 1868.

To W. Wedderburn, Esq., Under-Secy. to Govt., Bombay.

Sir,—Referring to your memorandum of the 4th instant, and of previous dates, on the subject of the Bill for the amendment of the law of Merchant Shipping, now before the Legislative Council of His Excellency the Viceroy, I regret to find that no intimation in writing has hitherto been forwarded to Government regarding the views of the Chamber on the subject.

The bill has been carefully considered by the Chamber, and as the various clauses are framed according to the English Merchant Shipping Act of 1854, the Committee of Management are of opinion that the proposed Bill is on the whole well-suited to the requirements of the shipping interests of this country, and adapted to the wants of this Port, and I have been directed to report to Government to this effect accordingly.

Referring, however, to Part V. of the Bill, which deals with the subject of inquiries into wrecks, &c., the Chamber is

strongly of opinion that on all Marine Courts of Enquiry held in Bombay, there ought to be at least two persons conversant with Marine affairs appointed to act with the Magistrate.

At present the custom is to have only one, and this throws so much responsibility on the only person conversant with nautical affairs, that rather than accept the responsibility of condemning neglect of discipline, or bad seamanship, delinquents are sometimes favoured where the course of justice would have called for a very different verdict. Representations have been made to the Chamber regarding the unsatisfactory character of these Courts as at present conducted by a single Magistrate and only one other person of nautical experience to assist him in the investigation: there can be no difficulty in finding in Bombay at any time a sufficient number of persons possessing such a knowledge of maritime affairs as would fit them for serving on Marine Courts of Enquiry, and the Committee desire respectfully but earnestly to press this point on the attention of Government, in view to these Courts being formed in such a manner as will command the respect of the various important interests concerned.

(True copy.)

JAMES TAYLOR, Secretary.

No. 313 of 1872.

MASTER ATTENDANT'S OFFICE, BOMBAY, 23*rd Feb.* 1872.

From the ASSISTANT MASTER ATTENDANT and CONSERVATOR of the PORT; to the SECRETARY to GOVERNMENT, Marine Department.

SIR,—With reference to Government Resolution No. 188 of the 13th instant, I have the honour to submit that the constitution of Marine Courts of Enquiry should, in my opinion, consist of not less than three persons, two of whom should be experienced commanders of the mercantile fleet, one a commander of a seagoing steamer (when available or required), and the other of a sailing vessel, with a view of aiding the presiding Magistrates of such Courts to arrive at a fair and just decision in cases where the experience and

practical knowledge of masters of either steam-ship or sailing vessels may be required.—I have, &c.,

W. G. CORKE,
Assistant Master Attendant and Conservator of the Port.

No. 11 of 1872.

OPINION.

Reply to reference in pursuance of letter No. 185 of 1872, from Secretary to Government, Marine Department, to Government Solicitor.

Courts of Enquiry into wrecks under Section 100 of Act I. of 1859 are at present held before two persons appointed by the local Government "one of whom *shall* be a Magistrate in or near the place where the investigation is held; the other *may* be a person conversant with maritime affairs."

2. The proposal of the Madras Chamber of Commerce is that, in the Bill before the Viceroy's Council for consolidating the law relating to Merchant Ships and Seamen, another member should be added to the Court on the ground that "in a large number of casualties calling for inquiry, questions arise as to local custom or usage on which a merchant's opinion would form of peculiar value to the Magistrate in strengthening or modifying the conclusion from an exclusively nautical point of view of the marine assessor."

3. I see no objection from a legal point of view to the proposed enlargement of the Court.

4. The form of the amendment as proposed by the Madras Chamber of Commerce is that the Court of Enquiry shall consist of three persons, including a Magistrate and a person conversant with nautical affairs. But the object of the Chamber, which is to have a mercantile assessor appointed, would be better secured by providing in the Bill that the third person "may be a trading merchant residing at or near the place where the investigation takes place."

5. The addition suggested by Mr. Secretary Ellis in para. 6 of his letter No. 322 of 24th November 1871, would, I think, be an improvement.

J. S. WHITE, Advocate-General.

Bombay, 28th February 1872.

(True Copy.)
RISLEY V. HEARN, Solicitor to Govt.

No. 116 of 1872.

From the SENIOR MAGISTRATE of POLICE; to MAJOR-GENERAL W. F. MARRIOTT, C. S. I., Secretary to Government, Marine Department.

SIR,—I have the honour to acknowledge the receipt of the Government Resolution No. 188, dated the 13th of February last, requesting that my opinion may be submitted to Government as to the necessity or advisability of amending the existing law respecting the constitution of Marine Courts as suggested by the Chamber of Commerce, Madras.

2. In reply I beg leave to state, for the information of His Excellency the Right Honourable the Governor in Council, that I have frequently felt during the past five years, or nearly so, as presiding Magistrate in Marine Courts, that these Courts are not so well constituted as they might be, and that some alteration is necessary; and I am disposed to regard the present proposal of having a mercantile as well as a nautical member as an improvement on the present practice of associating a nautical member only with the Magistrate in all Marine Courts of Enquiry.

3. But should it be decided to have a mercantile member of these Courts of Enquiry, I would respectfully suggest that care should be taken to prevent the appointment of gentlemen who are in any way interested in the ship or cargo concerning which inquiry may be ordered, and I would also remark that it is advisable not to appoint any member, however well skilled in nautical affairs, who is immediately connected with Insurance Offices or Agents, as has been sometimes done in cases in which I have sat to investigate into the causes of accidents to merchant ships. I say this without intending the most remote reflection on the gentlemen who have so sat with me and by whose judgment I have been most materially assisted, if I ought not to say in a great degree guided, and I believe well guided. But the objection in point of principle seems to me all the same.

4. I would also beg leave to bring under the notice of Government that it would be more satisfactory to me, as the magisterial member of Marine Courts of Enquiry held here, if I were allowed an opportunity, as occasion may arise, of consultation as to the names of the gentlemen whom it may be considered desirable to appoint in such cases.

5. In further reply I beg leave to refer to my letter in this Department addressed to you, No. 531, dated 25th November 1868, and a demi-official letter addressed to Colonel Macdonald without number, but dated 9th July 1870, of which I presume a copy is on record. If there is not, I can furnish one.—I have, &c.,

JOHN CONNON, Senior Magistrate of Police.

Bombay, Fort Police Court, 5th March 1872.

No. 173 of 1872.—Marine Department.

OFFICE OF THE SUPDT. OF MARINE, BOMBAY, *28th March* 1872.

From the SUPERINTENDENT of MARINE; to the SECRETARY to GOVERNMENT.

SIR,—With reference to the 1st para. of Government Resolution in the Marine Department, No. 188 of 13th ultimo, I have the honour to report, I see no objection to two nautical assessors being appointed to sit on Marine Courts of Enquiry, but am of opinion that the proposal of the Madras Chamber of Commerce should not be carried out, unless the merchant so appointed has no interest in any Ship Insurance Company, and the ship or her cargo; and even then, it is doubted whether his services would in any, but very exceptional cases, be of any use, in arriving at a just decision on the merits of cases, which for the most part are purely professional; and, for the same reason, nautical gentlemen who have an interest in Insurance Companies, the ship or cargo, should be disqualified to sit as assessors, and none but independent men of nautical experience, such as captains of ships or steamers actually in command, be allowed to sit. Nautical gentlemen in shore berths are sometimes apt to get rusty on practical professional points, and view nautical matters with landsmen's eyes.—I have, &c.,

G. T. ROBINSON, Commander, I. N., Supdt. of Marine.

CHAMBER OF COMMERCE, MADRAS, *22nd July* 1872.

To the CHAIRMAN, CHAMBER of COMMERCE, Bombay.

SIR,—With reference to the statement in one of the

Bombay journals that "the Bombay Government have refused to appoint two nautical assessors on the Marine Court which is shortly to enquire into the loss of the 'England,'" I beg to hand you a copy of the Proceedings of the Madras Government, Marine Department, 24th November 1871, from which you will learn that this Government deem the amendment of the existing law in respect to the constitution of Marine Courts of Enquiry expedient. The Bengal Chamber, to whom these Proceedings were communicated by the Bengal Government, have also expressed their full concurrence in the representation of the need for reform. I trust these Proceedings may be of some little service should your Chamber consider it advisable again to urge the Supreme Government to afford the desiderated relief.—I have, &c.,

A. MACKENZIE, Vice-Chairman.

No. 231 of 1872.

BOMBAY CHAMBER OF COMMERCE, *31st July* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Madras.

SIR,—I am directed by the Committee of Management of this Chamber to acknowledge the receipt of your Vice-Chairman's letter, dated 22nd instant, to the address of our Chairman.

In reply I am desired to state, for the information of the Madras Chamber, that the subject of the constitution of Marine Courts of Enquiry engaged the attention of this Chamber some years ago, and I have the pleasure to forward herewith for your reference copy of correspondence on the subject printed by this Government, after referring to the Chamber on the subject in February last.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX F.

AMENDMENT OF THE NATIVE PASSENGERS' SHIPS' ACT.

No. 310 of 1872.

BOMBAY CASTLE, 18*th January* 1872.

To JAMES TAYLOR, Esq., Secy., Chamber of Commerce, Bombay.

SIR,—I am directed to forward herewith copy of a Bill to amend Act XII. of 1870 (Native Passengers' Ships' Act) with Statement of Objects and Reasons and of the Report of the Commissioner of Customs thereon,* and to request you will be so good as to ascertain and communicate the views of the Chamber on the measure.

[* Not printed.—Secretary Bombay Chamber of Commerce.]

2. It will be observed that the Bill brings steamers as well as sailing vessels within the provisions of the law, but gives the officer granting the certificate discretionary power to modify, in the case of steamers, the rule as to space and water-supply under certain restrictions. These amendments have been framed with a view to remove the objections which were taken to the existing law when it was understood to be applicable to steamers.

3. The season for conveying pilgrims having now commenced, the Bill is to be considered at an early date, and I am to request that you will favour Government with a speedy reply.—I have, &c.,

H. E. JACOMB,
For Actg. Chief Secy. to Govt., General Department.

No. 23 of 1872.

BOMBAY CHAMBER OF COMMERCE, 7*th February* 1872.

To the ACTING CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—I am directed by the Committee of the Chamber to acknowledge the receipt of Mr. Under-Secretary

Jacomb's letter No. 310 of 1872, dated 18th ultimo, forwarding copy of the Bill to amend Act XII. of 1870 (The Native Passengers' Ships' Act), together with copy of a report on the Bill by the Commissioner of Customs, and requesting the views of the Chamber thereon.

In reply I am to observe that after the late abuses under the Act in question by several native owners of steamers, every honest steam-ship owner will be anxious to see the Act amended. The Committee, however, desire to point out that if ships and steamers be placed on the same footing as regards the space allotted to passengers, the latter will be driven completely out of the market, owing to the greater expense in working steamers as compared with sailing vessels. They can hardly suppose that Government should desire to do this, for since the pilgrim trade has been carried on by steamers, the instances of sickness breaking out on board have been few, and the mortality small.

The voyage of a steamer from Bombay to Jeddah occupies about twelve days, that of a sailing vessel, taking the average of the season, over one month, the risk of sickness therefore is far less by the former, and with their large condensors, steamers are able to give an almost unlimited supply of water, which of course on board a sailing vessel is necessarily limited.

The allowance of space for a native soldier on a Government transport is, the Committee believe, seven feet, and it is surely unreasonable that the allowance to a pilgrim should be fixed at twelve feet.

The Committee are of opinion that all steamer owners would be glad to see a certain fair allowance fixed, and they think that from nine to ten feet would be a fair allowance, would carry out the views of Government and give satisfaction generally.

In reference to the proposal stated in the third para. or section of the Bill, to the effect, that the officer may, under certain circumstances, be allowed to reduce the space to be appropriated to passengers, &c., the Committee fear that in a short time this might prove a loop-hole to abuses, and they consider it in all respects preferable that a fixed space be regulated by law.

The Commissioner of Customs has referred in his memorandum to a matter of considerable importance, namely, that the Bill as it stands is only applicable to steamers owned or commanded by British subjects. The Com-

mittee are decidedly of opinion that the rules for pilgrim ships should be applied to all vessels, whether British owned or sailing under a foreign flag.

At present steamers purchased by Arab or Persian merchants and sailed under Persian colours, are allowed to carry pilgrims without any restriction whatever as to the number carried or the space allowed to each person.

Should these steamers be permitted to run free from restriction, the British owned vessels will be driven out of the trade, and the evil, which the new regulations are intended to suppress, will still remain.

In conclusion, the Committee would again beg special attention to the point, that should twelve feet be the prescribed space, the result will be that steamers will be drawn out of the trade, as the means of the pilgrims being generally very small, they will not enable them to meet the increased charge which steamers will be compelled to make on the limited number of passengers allowed them.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 171.

Fort William, 23*rd March* 1872.

To the Secretary, Bombay Chamber of Commerce.

Sir,—I am directed to forward herewith a copy of the papers marginally noted, and to request that the Bombay Chamber of Commerce will favour the Government of India in this Department, as early as convenient, with an expression of opinion on the provisions of the amended Bill.—I have, &c.,

Bill to amend Act XII. of 1870 (the Native Passengers' Ships' Act), as amended by the Select Committee. Report of the Select Committee on the above-mentioned Bill.

H. L. CUNNINGHAM,
Offg. Secy. to the Council of the Govr. Gen. for making Laws and Regulations.

No. 96 of 1872.

BOMBAY CHAMBER of COMMERCE, *6th April* 1872.

To the OFFICIATING SECRETARY to the COUNCIL of the GOVERNOR-GENERAL for making Laws & Regulations, Calcutta.

SIR,—I am directed to acknowledge the receipt of your letter No. 171, dated 23rd ult., submitting copy of the Bill to amend Act XII. of 1870, as amended by the Select Committee, with the report of the Committee thereon.

In reply I am instructed to state that the Bill as amended by the Select Committee is approved by this Chamber.

—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX G.

THE NEW LIGHT HOUSE ON THE S. W. PRONGS.

P. & O. S. N. Company, Bombay, *10th October*, 1871.

To James Taylor, Esq.; Secretary, Chamber of Commerce.

Sir,—I am requested by the Signatories to forward you a copy of their petition to His Excellency the Governor on the subject of the new Light House now being built on the S. W. Prongs at the entrance of this harbour, and to ask you to do them the favour of laying it before the Chamber of Commerce on an early occasion, and at the same time to solicit its support in the matter.

You will observe that the names of nearly all the principal mercantile officers who regularly frequent this port are attached to the petition.—I have, &c.,

GEORGE F. HENRY, Superintendent,
P. & O. S. N. Company, Bombay.

To His Excellency the Right Hon'ble Sir William Robert Seymour Vesey Fitzgerald, K.C.S.I., Governor of Bombay.

The Petition of the Undersigned Commanders of Merchant Vessels trading to Bombay.

Respectfully Sheweth,—That your Petitioners, always having in their charge many lives and valuable property whilst in command of their vessels which frequent this Port, are deeply interested in the proper lighting of the entrance to the Harbour.

They view with regret the alteration now being made in the position of the Colaba Light House. That, whilst the Light when shown from the new building will be of little, if of any, improvement over the present one as a guide to regular frequenters when entering the Port at

night time, it will be a source of some anxiety to strangers visiting the place for the first time, on the following account:—Cross Bearings of this Light and Kennery cannot be depended on to give a ship her true position at the entrance of the Harbour, as they are but little out of the north and south line, and should the Outer and Inner Lights become invisible from their want of power in hazy weather, the only guide for clearing the outlaying dangers will be the judgment of the commander as to his distance from the Light on the Prongs, the same as at present, and which in the opinion of your Petitioners should be rectified if possible.

Your Petitioners believe that an arrangement of the Lights at the Harbour entrance can be made, which will clearly indicate all the dangers, and will also be a considerable saving of expense over the present or proposed system.

Your Petitioners have had a chart prepared, showing what in their opinion is the correct plan for lighting the entrance to the Harbour, and they have the honour to forward it herewith.

It requires but little explanation, their system being visible at a glance, is very simple, and reduces the number of Lights required by one.

Kennery.

This Light, as it is at present, is a sufficient guide for any vessel to make the Port at night time.

It is a very fine Light, well placed, and has already proved of much assistance to navigators.

Light on Colaba Point.

This Light should be changed from its present position to a building to be erected on piles or otherwise at the extreme end of the S. W. Prongs in 26 feet of water (low water).

It should be a 20″ Flash Light, showing a bright colour from N 32° W round by South to S 73° E (clear navigation), and red from N 32° W round by North to S 73 E marking danger.

Inner Floating Light.

The Light Ship should be removed and replaced by a Light shown from a Tower to be erected on the Sunken Rock.

It should be a fixed Light showing bright from West

round by North to S 26° W, and red from S 26° W to West.

Outer Floating Light.

If the above alterations are made there will be no necessity to maintain this Light.

Observations on the above.

The Colaba Light if placed as proposed by your Petitioners, besides completely indicating the dangers of and surrounding the Prongs, by its position and red rays would be of assistance to coasting vessels coming from the northward or ships being accidentally set up in that direction. The present Light, or the one to be shown from the new building, can be of no use for this purpose, as Malabar Hill shuts them in.

Kennery Light and the change of colour in the Colaba and Sunken Rock Lights will be a sufficient guide to clear the patches on the Thull Shoal.

Signatures.

(Sd.)	C. H. Eastley, s.s. Travancore.	(Sd.)	C. J. Perrins, s.s. China.
,,	Alf. Coleman, s.s. Golconda.	,,	C. J. Wilkinson, s.s. Delhi.
,,	G. J. Babot, s.s. Mooltan.	,,	R. L. Turner, s.s. India.
,,	C. Fraser, s.s. Sumatra.	,,	John Kerr, s. Leaping Water.
,,	W. Blake, s.s. Behar.	,,	E. Evans, s. Morning Star.
,,	E. J. Baker, s.s. Surat.	,,	J. McMillan, s. Berkeley Castle.
,,	W. W. Fentiman.	,,	J. Patterson, s.s. Dacca.
,,	D. Rennoldson, s.s. Deccan.	,,	J. Avern, s.s. Cashmere.
,,	A. H. Johnson, s.s. Tanjore.	,,	A. Cottier, s.s. Kurrachee.
,,	Henry B. Greaves, s.s. Indus.	,,	J. Ballantine, s.s. Sattara.
,,	N. Stewart, s.s. Columbian.	,,	John Lang, s.s. Mahratta.
,,	J. C. Babot, s.s. Emeu.	,,	A. Gray, s.s. Abyssinia.
,,	E. J. Stead.	,,	E. J. Johnson, s.s. Walamo.
,,	N. Roskell, s.s. Hindostan.	,,	J. Templeton, R.A.R., s.s. Bagdad.
,,	W. B. Hall, s.s. Baroda.	,,	H. D. Smith, s.s. Oriental.
,,	G. N. Hector, s.s. Ellora.	,,	Robt. Tatchell, s.s. Ada.
,,	J. D. Steward, s.s. Khedive.	,,	John Steele, s.s. Erl King.
,,	R. W. Evans, s.s. Ceylon.	,,	W. A. Hibbert, s.s. Sir Bartle Frere.
,,	P. S. Tomlin, s.s. Orissa.	,,	H. J. Child, s.s. Gunga.
,,	Geo. F. Cates, s.s. Sunda.		
,,	Geo. C. Burne, s.s. Nubia.		
,,	W. C. Angove, s.s. Bangalore.		

No. 236 of 1871.

BOMBAY CHAMBER of COMMERCE, 16*th October* 1871.

To the SECRETARY to GOVERNMENT, P. W. D., Bombay.

SIR,—I have the honour, by direction of the Com-

mittee of Management of the Chamber of Commerce, to state, for the information of His Excellency in Council, that a copy of a memorial to Government, signed by nearly all the principal mercantile officers who regularly frequent this Port, against the site chosen for the Light House now being built on the S. W. Prongs at the entrance to the Harbour, has been laid before the Chamber, with a request that the prayer of the memorial may be supported by the mercantile community of Bombay.

Though the members of the Chamber do not pretend to any special knowledge of the important question raised in this memorial, they as merchants and underwriters have the deepest interest in its right settlement: the subject is pre-eminently a nautical one, and the Committee earnestly hope a memorial so influential, from the class of men most competent to offer an opinion thereon, may receive the fullest consideration of His Excellency in Council.

It is now eleven years since this all-important question of the right method of lighting up the entrance to Bombay Harbour was brought before Government in an elaborate report by Captain Barker, late Indian Navy, and at that time Conservator of the Port, for the seven years following the question in one form or other was constantly before Government; and now that action has been taken, and the wisdom of that action strongly questioned by those most deeply interested in a right solution of the question, the Committee are respectfully of opinion it would be matter of regret hereafter were the course decided on followed out without every objection that has been taken being most carefully considered and weighed.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 2114 of 1871.

BOMBAY CASTLE, 22*nd November* 1871.

To the CHAMBER OF COMMERCE, Bombay.

GENTLEMEN,—I have the honour to acknowledge the receipt of your Secretary's letter, dated the 16th ultimo, on the subject of the memorial that has been addressed to Government, in regard to the new Lighthouse, which has now nearly been completed, on the extremity of the South-West Prongs.

The question of the site of the Lighthouse has, since 1863, been under the careful consideration of this Government, who, before a final settlement was arrived at in respect to it, sought advice from every quarter where they considered reliable advice could be obtained. The reasons which induced the Government to decide upon the position that has been adopted will be found in the accompanying copy of a letter, which has been addressed to Captain Henry in reply to the Memorial to which you refer.—I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secretary to Government, P. W. D.

No. 567 C. W—2143 OF 1871.

PUBLIC WORKS DEPARTMENT.

To CAPTAIN G. F. HENRY, Superintendent, P. and O. S. N. Company, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 11th ultimo, forwarding a petition on the subject of lighting the entrance of the Bombay Harbour, from certain gentlemen, Commanders of merchant vessels trading to Bombay.

2. The Petitioners view with regret the alterations now being made in the position of the Colaba Lighthouse, and express an opinion that the light shown from the new building will be little, if any, improvement over the present one to regular frequenters, while it will be a source of some anxiety to strangers, because the cross bearings of this light, and Kennery, cannot be depended on to give a ship her true position at the entrance of the Harbour, as they are but little out of the north and south line; and that, should the outer and inner lights become invisible from any cause, the only guide for clearing the outlying dangers will be the judgment of the Commander as to his distance from the light on the Prongs, the same as at present.

3. The Petitioners proceed to recommend another system of lighting, the main feature of which is a lighthouse on the prolongation of the South-West Prong, in 26 feet water, low water spring tides.

4. I am first to observe that His Excellency the Governor in Council is most anxious to give full consideration to the

views of a body of gentlemen so well competent to form a judgment on the subject they are dealing with. Of the 41 signatures attached to the Petition, no fewer than 24 are those of the officers of a Service the reputation of which stands deservedly high for skilful navigation, and of which you are yourself the representative in Bombay. His Excellency in Council, however, regrets that opinions, which might have been offered with greater effect when the question of the site of the proposed Prongs Light-house was under consideration, have not been put forward till this costly work has nearly been completed, though its progress must have been immediately under your own observation, and that of many of the gentlemen who have signed the Petition, since its commencement in 1868, or for about three years.

5. When fixing on the position of the Lighthouse, the Government of Bombay, I am desired to say, sought opinions in those quarters where they considered the most reliable advice could be obtained, and it was not till after much careful and anxious discussion, that, being guided by the weight of opinion that was then available, they determined to place the building on the spot where its erection has now been very nearly completed.

6. It is believed, I am to remark, that the position of the new light will not be less favourable for cross bearings with Kennery than the existing light is, both being nearly upon the north and south line; while, as regards the judgment of Commanders of vessels as to distance, the new light will be nearer to the danger by about 1½ miles, than the existing light is; that is to say, while the present Colaba Lighthouse is distant 2½ miles from the extremity of the reef, the new lighthouse will only be one mile distant from that point. It is clear, therefore, that, if cross bearings should be doubtful, vessels making the Port at night in hazy weather, and when the inner and outer lights are invisible, will run very much less risk when the new light has been fixed than they do now; and, though this fact is stated in the Petition to constitute little, if any, improvement on the present system, His Excellency in Council cannot conceive that so large a difference in favour of safety, over the arrangement which now exists, is without some very considerable value.

7. It is understood, too, that vessels, especially the mail steamers of the Peninsular and Oriental Company, usually make, or endeavour to make, the Port from the westward, or a little of the south of west, and, under these circum-

stances, both the Kennery Light, and the existing, or new light, would be well open for cross bearings, and it is only in the event of a ship's course being alongshore from the north or south, that the lights would be too much in line to admit of reliable angles being taken. It seems, therefore, that the objection taken by the Petitioners to the position of the new light, derives whatever force it may have, mainly from the fact that it does not mark the actual extremity of the danger, but is so placed as to impose on Commanders of vessels the necessity of making some allowance for the shoal water by which it is surrounded, instead of permitting them to steer direct for it, as they can now do for the outer floating light; and I am now directed, confining myself to this point, to recapitulate the reasons which led Government, after much careful consideration, to adopt the position.

8. The first recorded proposal for a change of site for the Colaba light emanated from the Master Attendant and Conservator of the Port, Captain Barker, who, in 1860, recommended that a lighthouse should "be erected on the extreme edge of the South-West Prongs, where it dries at low spring tide," *i. e.*, where it is now being built.

9. Captain Barker submitted his idea to the Captains and Commanders of vessels in the harbour, and to other nautical authorities, and the result was that 47 gentlemen concurred with him that it was advisable to adopt the site he recommended. Of these gentlemen—

1 was an Officer of the Royal Navy,
11 were Officers of the Indian Navy,
6 were Officers of the P. and O. Company's service,
28 were Commanders of Merchant vessels, and
1 Harbour Master, Aden.

10. This proposition, with others, was * referred to the Chamber of Commerce, who suggested the appointment of a Commission to consider the subject. The Commission was comprised as per margin,† and did not concur with Captain Barker

* Government Resolution [Marine Department,] No. 580, dated 14th July 1862.

† *President.*
Captain J. Young, C.B.
Members.
The Commissioner of Customs.
The Master Attendant.
Lieut.-Colonel DeLisle.
Robert Hannay, Esq.
J. Farrar, Esq.
W. Johns, Esq.
J. Dickson, Esq.
Mr. Andrew Grant, Agent for Lloyds.

as to the removal of the present Colaba light for the following reasons:—

"1*stly*.—It is unnecessary: the outer light-ship, which is recommended "to be retained in its present position, is quite sufficient to prevent "ships running upon the Prongs.

"2*ndly*.—If the Lighthouse is removed to the low water mark of the "Prongs, it will still be at considerable distance from the extreme "point of the danger it is intended to indicate.

"3*rdly*.—The proposed lighthouses on Kennery, *which, under any circum-* "*stances, are indispensable*, and the retention of the outer light in "its present position, will, with the existing Lighthouse at Colaba, "amply and safely define the entrance into the Harbour.

"And such being the case, it was held to be unwise to move, to "another and a new spot, a long established and well known light, "not to speak of the enormous expense which would, in the opinion "of the Commission, be thus needlessly entailed upon Government "by the removal of the present Colaba Lighthouse to the site pro- "posed by Captain Barker."

11. The Commission also added the following remarks:—

"The erection of a lighthouse on the Prongs will not obviate the "necessity of a light in the position of the present outer light-ship, "there being dangers eastward of a straight line from the proposed "lighthouse on the Prongs to the inner light vessels which do not "exist in a straight line from the outer to the inner light Vessels.

"The Commission would not be justified in recommending the "enormous outlay that would be required for the substitution of a "lighthouse on the Prongs for the one on Colaba, unless some good "would be likely to result from it, the probability of which is not "apparent. The expense of its construction has, so far, deterred the "majority of the Commission from recommending it,

"The Commission do not think that the erection of a lighthouse "on the Prongs would be likely to lead ships into danger, but the "necessity for it is not seen."

12. Captain Barker rejoined:—

"By removing the lighthouse to the extreme end of the Prongs, "as suggested by me, it will be $1\frac{3}{4}$ miles nearer to the danger it is in- "tended to indicate, than it is at present; it will stand out in bold "relief from the land, and can be approached to within $\frac{3}{4}$ to 1 mile. "at present, it cannot be approached to within $2\frac{3}{4}$ miles from seaward;

"One lighthouse on Kennery would answer the desired purpose "provided the Lighthouse at Colaba was removed to the end of the "South-West Prongs, and would amply and safely define the entrance to "the Harbour (even should the outer light vessel break adrift, which "has occurred several times). The expense of removing the Colaba light "I consider, the Commission had nothing whatever to do with, that "being a matter for the Government to decide upon."

13. The Commission, therefore, objected to the alteration of the position of the Colaba light mainly on the score of expense, and it is to be observed they made no proposition whatever for placing a new light, in deep water, at the extremity of the Prongs.

14. Government, however, being in doubt, though inclining to Captain Barker's opinion, referred all the papers, in June 1863, through Her Majesty's Principal Secretary of State, to the Hydrographer of the Admiralty.

Military Despatch, No. 66, dated 3rd June 1863.

15. The Admiralty referred the question, together with the report of the Hydrographer, to the Board of Trade, and the following opinions were obtained.

16. The Hydrographer of the Admiralty wrote as follows:—

"Looking, then, on Bombay in this light, attention must first be "directed to its approaches from sea. The principal want there is "evidently an outlying beacon to apprize the mariner of his proximity to "the harbour, and the first thing to be done is to avail ourselves of the "most outlying land for that purpose. That would evidently be "Colaba Point, which would give a position for a lighthouse about a "mile and a half to the south-west of the present light; and assuredly "this is the sight on which this light should have been erected.

"Colaba light, in this position, would then be on the most salient "point (as it should be) of the coast, and would be most favourably "placed for being seen by vessels approaching the harbour."

17. And Captain Sullivan, the adviser of the Board of Trade in Light-house matters, gave this opinion:—

"Supposing it to be desirable to do away with the light vessel, as "recommended by Captain Barker, the Colaba light should certainly be "placed on the extreme of the point at low water, or as near it as a "safe foundation can be obtained."

18. Both these high authorities were, therefore, in favour of the position which has been adopted for the new light, and neither of them suggested, or advocated, a deep water light.

19. These opinions were submitted to the Harbour and Pilotage Board in 1864, who sent the correspondence on the subject of lighting the Harbour to Mr. Parkes, C.E., the Engineer of the Red Sea Lighthouses, for his opinion as to the exact position and construction of the additional lights required to carry out Captain Barker's views; and, in communicating to Government Mr. Parkes' opinion, the Harbour and Pilotage Board, under date 25th April 1864, wrote as follows:—

Government Resolution (Marine) No. 106, dated 10th February 1864.

"We have had under consideration the letter from the Right "Honorable the Secretary of State for "India, No. 88, of the 31st August "1863, with its accompaniments,* in "connection with the improvement of "the lights of the Harbour of Bombay;

* Opinions of Hydrographer to Admiralty, and Captain Sullivan, of the Board of Trade.

"and after due deliberation, beg to state, for the information of His Ex-"cellency in Council, that, notwithstanding the decision come to by the "Pilotage Commission appointed by the Government of Bombay, "under notification of the 25th October 1862, a removal of the "present Lighthouse at Colaba is not called for; and, although "great consideration is due to the view thus expressed, still, as there "appears to be a large preponderance of opinion in favour of a removal "of the Lighthouse from its present position to the edge of the danger "or as near thereto as practicable, not only among the highest autho-"rities in England, but also among those conversant with such mat-"ters on the spot, we would not be justified in recommending to the "Government to carry out the plan proposed by the Commission, so far "as regards the Colaba light, and would suggest that the light be re-"moved from its present position to the extreme edge of the South-"West Prongs, where it dries at low water spring tides, or as near "thereto as safe foundation can be found."

* * * * * * * *

"Mr. Parkes further advocates the substitution of a light on the "Prongs, in place of the present Colaba Lighthouse, 1⅛ mile from the "present Lighthouse, and ¾ mile from the deep water channel."

20. Mr. Parkes' opinion (dated 28th March 1864) was couched in the following terms :—

"The removal of the light from Colaba Point to the Prongs is a "more complicated question. I visited the proposed site in company "with Captain Barker and Colonel Jones, and a spot was found suit-"able for the foundation, 1½ mile south-west from the present Light-"house, and ¾ mile from the deep water channel off the end of the "Prongs. It would, of course, be practicable, at a greater expenditure "of time and money, to place a light upon a site still further seaward, "though I was informed that the site we visited was the outermost "piece of solid rock; but, even if time and money were not considered, "I doubt if much advantage would be gained by going further out. "There can be no doubt that the proposed site would be a great im-"provement upon the present site, and, if it do not fulfil all the require-"ments of the optimist, I think it would be a great practical boon to "the navigator."

21. At this period, therefore, the Harbour and Pilotage Board were in accord with Captain Barker as regards the eligibility of the site that had been selected for the Prongs Lighthouse, *i.e.*, that on which the building has now nearly been completed; and, in favour of this site, to the authority of the Hydrographer of the Admiralty, and that of Captain Sullivan, of the Board of Trade, had been added that of Mr. Parkes, C.E. Up to this time the question of placing the new Lighthouse in deep water had not arisen; but, in 1866, when the work was about to be commenced, and it was re-

quisite to fix the new site with precision, some doubts appear to have arisen in the minds of some members of the Harbour and Pilotage Board, and the following Resolution was passed by the Board :—

"That, before Resolution No. 373 be confirmed, that the opinion "of the Elder Brethren of the Trinity House be asked with respect "to the Lighthouse on the 'Prongs' as in the opinion of certain mem- "bers of the Harbour Board, it would be better that the Lighthouse "be placed at the extreme end of the Prongs in deep water, so as com- "pletely to protect the entrance to the Harbour."

22. On this, the Government of Bombay, under date 12th November 1865, passed a Resolution to the following effect :—

Public Works Department No. 993 C. W.—2301, of 12th November 1866.

"That the site has been long since fixed, and is not now in ques- "tion ; it was selected by the officers of the Public Works Department, "assisted by the Marine authorities, and Mr. Parkes, in 1864. No "delay should be allowed to prevent the immediate preparation of the "plans."

23. A copy of this Resolution was sent to the Harbour and Pilotage Board, who had consulted Captain Bedford, Hydrographer to the Board of Trade, on the subject of lighting the harbour. The question referred to Captain Bedford was whether the outer floating light should be fixed or revolving ; and, in discussing this question, he expressed an opinion, that although the proposed new lighthouse on the Prongs would "be a considerable improvement on the present one, it would, nevertheless, be but a half measure, as upwards of a mile of the Prongs will still remain unguarded ;" and, therefore, he thought that a proposition which had been made to dispense with the outer floating light was not admissible. He did not, however, discuss the question of the position of the Prongs Lighthouse as between a deep water site, and one at the extremity of the visible reef.

Public Works Department No. 1110 C. W.—2587, dated 19th December 1866.

24. The following Resolution was then passed by Government, under date 19th December 1866 :—

"As nothing has yet been spent on the Prongs Lighthouse, and "it is very desirable that the Lighthouse, when built, should be in "the very best position, Government request Colonels Tremenheere and "DeLisle, Messrs. Ormiston and Russel Aitken, to meet the Harbour "Board, and after any necessary consultation and examination, to "favour Government with their opinion as to the best practicable posi- "tion for the Prongs Lighthouse."

25. The Committee thus ordered met for deliberation, and the question was also submitted by the Harbour and Pilotage Board to the Elder Brethren of Trinity House, the case being stated as follows :—

" 1*st.*—The retention of the Lighthouse in its present position at the end " of Colaba, but substituting a first class 10 second flashing catadioptric light, the present floating light, ships being retained to " mark the fairway channel.

" 2*nd.*—The second plan to be considered is the removal of the present " Colaba Lighthouse to a point on the South-West Prongs, 1¾ mile " south-west from its present position, and it is believed that if " this be done it would still be necessary to retain the floating " light ships in the fairway channel.

" 3*rd.*—And the third plan which has been suggested is the removal of the " Colaba Lighthouse into deep water at the extreme point of the " Prongs, and the erection of a harbour light on the sunken rock. " By this arrangement, it is believed that the present light ships in " the fairway channel may be dispensed with, and a heavy annual " expenditure saved.

" It is added, in proposing these plans for your consideration, it " is hoped that the Elder Brethren may not consider that their " opinion is requested on these three schemes only, but the Harbour Board solicit their opinion on the subject of lighting the " Harbour generally, and any suggestions, or plans, which may be " proposed, will be considered by the Board, and, if possible, carried " out."

26. The reply of the Elder Brethren of the Trinity House was very explicit, and was given in the following terms :—

" The Elder Brethren, many of whom are well acquainted with " the Harbour of Bombay, have given careful consideration to the " several propositions detailed in your letter, and have also, as requested, " considered the subject of lighting the Harbour, generally, independently of the plans submitted, and have arrived at the following conclusions as to the system which, they are of opinion, would be not " only a thoroughly efficient, but an economical one for the purpose, " although they have not allowed their views to be influenced by the " question of expense only, which, having regard to the geographical " position of Bombay, and its rapidly increasing trade as the outlet of " India, they consider it should be well able to defray.

" I am to state, then, that, setting aside the erection of a fairway " light, in the position indicated in Plan No. 3, which they certainly " would not recommend, the Elder Brethren are of opinion that a stone " tower should be erected as near to the extreme end of the South-West " Prongs, as it can safely and practically be placed, and the present light " at Colaba should be discontinued, which, from the distance it lies from " the dangers, would, under no circumstances, be worth the expense " of altering, as it could never efficiently guard them, and as a coast " light will be superseded by the new light on the Kundari Island."

27. The Committee (Mr. R. Aitken dissenting) were in accord with the Elder Brethren of the Trinity House, and they stated that they formed their opinion irrespective of

the very serious professional objection which they entertained to founding a Lighthouse on the site which had been proposed in deep water, and at which Mr. R. Aitken failed even to procure borings. They reported as follows :—

> "That the Committee, entirely concurring in the recommendations "of the Elder Brethren of the Trinity House, are of opinion that the "best practicable position for the Prongs Lighthouse is the site which "they believe was proposed by Mr. Parkes, 1½ miles south-west by "south from the Colaba Lighthouse."

28. The discussion had now gone on for several years, during which time, although the Harbour and Pilotage Board had expressed opposite and inconsistent opinions, and Mr. R. Aitken had advocated a deep water site, the other authorities consulted had agreed that the best practicable site for the new Lighthouse was on the edge of the South-West Prongs, where the reef dries at low water spring tide, and the Elder Brethren of the Trinity House had reported decidedly against a deep sea position at the end of the reef; and, in June 1867, Government passed a Resolution, of which the following is an extract :—

> "To the long list of professional and Engineering authorities in "favour of a site at the furthest prac-
> * Government Resolution, Public Works Department, No. 512 C. W.—1499, dated 17th June 1867.
> "ticable point on the Prongs, are now "to be added the Elder Brethren of the "Trinity House; and to this weight of "authority Government can scarcely "be expected to prefer the opinion of Mr. Russel Aitken. The Light-"house should, therefore, be built where the Committee recommend it "should be placed, that is, about 1½ mile south-west by south from the "present Lighthouse."

29. The work was actually commenced in 1868-69, and has since been in progress, and, as above stated, it has been under your own observation, and that of many of the gentlemen who have signed the petition, for about three years.

30. After the work had been commenced, and made considerable progress, the Harbour and Pilotage Board requested the late Captain Pryce, the Master Attendant, to submit an opinion on the site, and, in doing so, he expressed himself as follows, under date 19th January 1870 :—

> "A lighthouse placed in deep water at the extreme of the South-"West Prongs is open to very grave objection, as it directly guards "only one point of danger. For this reason, say a vessel is coming into "the Port from the westward, the Master, knowing the Lighthouse to "be in deep water, would very likely round the Lighthouse close, haul "up for the sunken rock light, and shape course into the anchorage; "by so doing, the ship would pass over the foul ground of the South-

"East Prong, and inevitably strike the ground, and imperil the vessel "and cargo, and this, too, irrespective of the set of the tides.

"If another Lighthouse were to be placed on the extreme point "of foul ground of the South-East Prong, the lighting up of the "entrance to the Port would be indeed perfect; but this is not con- "templated.

"With the outer light ship in position, and the projected Light- "house on the present site on the South-West Prongs, there cannot be "any difficulty for the careful navigator to make the Port with the "greatest confidence in any weather."

31. I have been directed to be thus lengthy in replying to your communication, because His Excellency in Council, on behalf of his own and the preceding Government of Bombay, would desire it to be clearly understood, that, in so important a matter as that under reference, the Government have not acted without endeavouring to procure the best available advice; and I am to add that, had your own, and that of the gentlemen who have signed the petition, been offered earlier, and at a time when it would have been of practical value, it would most certainly have received careful attention. As it is, I am directed to say, that, even if any change were thought desirable, the matter has now gone too far, and, even if the deep water site were admitted to be better than that selected—and the weight of authority is against this supposition—it would not be justifiable for the sake of what might, at the best, be but a trifling and inappreciable advantage, and what, in the opinion of many, would be a positive disadvantage, to render useless the large outlay that has already been incurred on this very difficult work.— I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secretary to Government.

Bombay Castle, 21st November 1871.

APPENDIX H.

SUEZ CANAL: STANDARD OF TONNAGE ON WHICH DUES OF THE COMPANY SHOULD BE COLLECTED.

[TRANSLATION.]

PARIS, *9th September* 1871.

To the PRESIDENT of the CHAMBER of COMMERCE, Bombay, —British India.

SIR,—The seventh article of the Act of Concession to the Suez Canal Company determines as follows the nature of the toll in the Canal:—

"Act 17—To indemnity the Company for the expenses of "construction, keeping in repair, and working, which it "undertakes to defray by the present agreement, we hereby "empower the said Company, and from the present time and "so long as the interest of the Company continues, as is "determined by paragraphs 1 to 3 of the article preceding, "to establish and to collect for passage through the canals "and the ports dependent thereof, dues of navigation, pilot-"age, towage and haulage or mooring, according to tariff, "which may be modified at any time by the said Company "under the following express conditions:—

1*st*—"To collect these dues without favour or exception, "to any ships placed under similar conditions.

2*nd*—"To publish the tariffs three months before putting "them in force, in the capitals and principal com-"mercial ports of the countries interested."

3*rd*—"Not to exceed for the special Navigation *dues* the "maximum figure of ten francs per ton of capacity "of the ship, and per head for passengers."

A year before the opening of the Canal, a Commission, composed of the most competent authorities, was charged to

examine the projected regulations for the navigation in the Canal.

The 8th question which this Commission had to examine was thus stated:—

"What standard ton is it desirable to adopt as a basis for "the collection of the dues ?

"What is the actual proportion between the standard "ton selected and the official ton of the different nations ?"

After numerous sittings the Commission sent in a report, which contained the following replies to the 8th question :—

"The Commission acknowledges that the English official "ton would be the best standard to adopt. But they have "ascertained that no exact relation can be established be- "tween this standard of ton and the official ton of other "nations, the gaugings being not always the same or com- "parable, even between ships of the same flag.

"The question of the unification of gauges being actually "submitted to an International Commission, and it being "probable that a solution will be arrived at before long,

"The Commission is of opinion that while awaiting an in- "ternational rule which would then be adopted, the Suez "Canal Company should purely and simply levy the dues, on "the tonnage of the ship's papers without distinction of flag."

Conformably to the Report of the Commission of Naviga- tion, the Suez Canal Company has considered the mode of collection adopted as provisional, being anxious to abide strictly by the terms contained in the Act of Concession, which stipulates similar conditions for all flags. The Com- pany has not waited until the negotiations entered upon by the French Government to arrive at a unification of gauge should come to a conclusion, and it has itself, communicated with the several Governments with a view to obtain this unification.

The Company has been fortunate enough to obtain the consent of the Austrian, Hungarian, and Dutch Govern- ments.

1. While these negotiations were being pursued, a new question was raised,—viz., whether the mode of collection based on the net tonnage, according to the official papers emanating from the Governments, (and supposing that a unification of gauge were obtained,) gave to the Company the

total receipts, which the Act of Concession entitled it to as a maximum.

The administration for several months, has specially charged one of its head officials to study this question, on which he will have to report, would it be advisable that the mode of collection actually in force be changed?

2. Is it possible to adopt, instead of going by the ships' papers, another mode of estimating the tonnage of ships?

Supposing an augmentation of the receipts to result from the adoption of a new mode, will not the movement of shipping by the Canal be thereby affected in such a manner as to have a prejudicial result to the Company?

In short, whilst carrying out, and if need be enforcing, for ships passing though the Canal, the unification of gauge based on the English mode of measurement, ought the Company to maintain its basis of collection on the net official tonnage of ships, or can it by a new mode of collection augment the dues at present paid for the passage of ships, without detriment to the navigation?

All these questions, which interest not only our Company, but the general movement of navigation and commerce, appear to me to deserve further study by a new Commission composed as well of some of the superior officers of the Navy, as of several Inspectors General, and of both Naval and Civil Engineering Government officers.

This Commission to complete its inquiry would have to consult the Chambers of Commerce.

I will accordingly be very thankful, Mr. President, if you will be good enough to make known to me the opinion of your Chamber on this question, or to designate a delegate who would attend the Commission in the name of your Chamber.

I am entirely at your disposal to furnish you with all the instructions which may be useful to you.—Accept, Mr. President, &c., &c. F. LESSEPS, President.

No. 258 of 1871.

BOMBAY, CHAMBER of COMMERCE, *4th December* 1871.

Monsieur de Baron de LESSEPS, Le President Suez Canal Company de Paris.

SIR,—I have the honour, by direction of the Com-

mittee of Management, to acknowledge the receipt of your circular letter, dated 9th September last, inviting the opinion of this Chamber on the questions of a unification of gauge, the basis to be maintained for the collection of dues, and other points therein set forth, as bearing on the interests and rights of the Company, for constructing, keeping in repair, and working the Canal for the movement of navigation under all the flags. Your letter has received the careful consideration of the Chamber, and, in reply, I am now directed to state the Committee of Management are strongly of opinion that the Canal Company will never obtain the maximum of dues to which it is entitled by the Act of concession, so long as such dues are collected on the net tonnage according to the ships' official papers, even supposing that a unification of gauge was agreed on by all nations. Ship-builders can always construct vessels to make them carry more than will be shown by any standard of measurement ; and it is impossible to adopt any mode of measuring a ship which will not favour one over another.

It is a fact well known to all engaged in the Bombay cotton trade, that many of the steamers loaded for Europe and passing through the Canal, carry cargo greatly out of proportion to their net registered tonnage, so that the Company, in consequence of the present system of levying the dues, does not secure payment on a large portion of the cargo that passes through the Canal.

To make the dues levied fall equitably on all ships, under all flags, the Committee of this Chamber recommend for your favourable consideration the alteration of the system at present in force, and to adopt in lieu thereof, the principle that all vessels be made to pay dues on the actual cargoes they have on board according to their manifests, that is, that the dues be collected on the actual number of tons carried.

The Committee are of opinion that by the adoption of this plan, the dues would be equitably levied on all ships passing through the Canal, while the revenue of the Company would thereby be greatly augmented.

No apprehension need be entertained of any diminution in the movement of shipping though the Canal for carrying on the trade between Europe and the East, unless the Company were to increase its tariff to an extent that would make it more profitable for Ship-owners and Merchants to return to

the route via the Cape; on the contrary, it is the opinion of this Chamber, that with moderate rates, equitably levied in the manner above suggested, the Company may reasonably hope that at no very distant date, nearly the whole of the India and China trade with Europe, will pass the Suez Canal.

In carrying out the plan now proposed for the consideration of the Suez Canal Company, the Committee desire farther to suggest that ships in ballast should continue to be charged as at present; and as the great bulk of the traffic is being carried in British ships, they propose that the tons of 20 cwt. and 40 cubic feet be made respectively the standards for dead weight and measurement.

The Committee of Management are unable to state at present whether it will be convenient to send a representative of this Chamber to the new Commission you propose to appoint, but they will be obliged by your informing the Chamber at what date it is intended that the Commission should assemble, and the place where its sittings will be held.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX I.

REVISED VALUES FOR EXPORTS AND IMPORTS.

BOMBAY CASTLE, *23rd November* 1871.

Letter from the Government of India, No. 2434, dated 15th November 1871 —Referring for consideration by local Governments in communication with the local Chambers of Commerce, the best means of giving, in the monthly and annual trade returns, an approximately correct statement of the value of the inward and outward foreign trade of India.

RESOLUTION.—Copies to be forwarded to the Commissioner of Customs and the Commissioner in Sind, with a request that they will obtain and furnish, with their reports, the opinions of the Chambers of Commerce at Bombay and Kurrachee.

E. W. RAVENSCROFT,
Acting Chief Secy. to Govt., Rev. Dept.

CIRCULAR.

FORT WILLIAM, *15th November* 1871.

To the SECRETARY to the GOVERNMENT of Bombay.

SIR,—I am directed to refer for consideration by local Governments, in communication with the local Chambers of Commerce, the best means of giving, in the monthly and annual trade returns, an approximately correct statement of the value of the inward and outward foreign trade of India.

2. A fixed official value, like the official values formerly observed in the trade returns of the United Kingdom, would measure exactly the rate of progress or decline in the quantities of imports and exports, but it would mislead in respect of the real value of the trade between any two countries.

3. But though, for this reason, official values have been discarded for real values, yet the object of ascertaining the

value at which the trade of one country exchanges with that of another, is not attained from the export and import returns, exclusively, of one of the countries. The exports from India, for example, are returned professedly at the market value at the place of shipment, though the return to India will be at the higher price at the place of destination; while the imports into India for which they are exchanged, are also returned at the higher market value at the place of landing, though the country from which they were imported will receive the inferior market value they bore at the place of shipment. The claim of India for her exports is understated, and her liability for imports is overstated, in her trade returns.

4. Untrue results like those are unavoidable to some extent, inasmuch as the trade returns of any country must be framed according to the values in the country; and so long as those values are correctly given, due allowance for the unavoidable shortcomings in the returns can be made by those who consult them.

5. But when the values declared at the Custom House are incorrect, and the serious inaccuracies prevail in the rating of important articles, as appears to have been the case recently in the valuation of exports of cotton, the aggregate result of the inaccuracies may seriously mislead those who have to consult the trade returns in the conduct of their business.

6. On the import side of the trade returns, there is a security against error in the circumstance that duty is assumed on the bulk of imports according to a fixed tariff value which approximates to the real value, or on the wholesale cash price exclusive of duty; and a further check against error in the major part of the imports can be applied by comparing the value of exports shipped to India from the United Kingdom, as given in the Board of Trade's returns for the calendar year, with that of the Imports landed in India from Great Britain in the official year, which is three months later.

7. The principal errors occur in the free imports and free exports; and these latter are of such magnitude, that erroneous valuations of them must seriously vitiate the trade returns.

8. The free articles, however, of import and export, in which the trade is large, are also comparatively few, and it

may be possible for the local Government to concert with the local Chamber of Commerce arrangements by which the declarations of value of those principal articles at the Custom House, or the rating of them for the Customs returns, may be made to conform substantially with the market price at the time and place of shipment.—I have, &c.,

R. B. CHAPMAN,
Secretary to the Government of India.

No. 4134 of 1871.

BOMBAY, *25th November* 1871.

True copies forwarded to the Chamber of Commerce for the favour of their opinion.

A. F. BELLASIS,
Commissioner of Customs.

No. 3515 of 1872.

BOMBAY CASTLE, *20th July* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—The Commissioner of Customs states that he has addressed you with a view to obtaining the opinion of the Chamber of Commerce as to the best means of giving in the monthly and annual trade returns an approximately correct state of the value of the inward and outward foreign trade of India.

As the Government of India are desirous of information on this point at an early date, I am desired to request you will be good enough to favour Government with the opinion of the Chamber on the subject as soon as may be conveniently possible, forwarding the same through the Commissioner of Customs.—I have, &c.,

F. R. S. WYLLIE,
Actg. Under Secy. to Govt., Rev. Dept.

No. 236 of 1872.

BOMBAY CHAMBER OF COMMERCE, *3rd August* 1872.

To L. REID, Esq., Commissioner of Customs, Bombay.

SIR,—In reference to the printed circular, with minute,

from the Government of India, dated 15th November last, on the subject of giving correct statements of the value of the principal articles of export and import in the foreign trade of India, and your memoranda of various dates requesting the opinion of the Chamber on the subject, I am to express the regret of the Committee that the minute referred to has remained so long unanswered.

The question considered in the minute is one of importance in connection with the statistics of the foreign trade of India, and has engaged the attention of the Chamber; but after much consideration of the subject, the Committee are of opinion that little can be done to make declarations of the value of either exports or imports more accurate than they are at present.

In reference to exports, the principal article from Bombay is cotton,—more than half the crop is exported by European Firms, and there can be no doubt that the value given is in all cases, as nearly as may be, that of the actual cost.

In the case of Native Shippers, there is no question that much cotton of inferior quality is passed for export at the highest value ruling at the time of shipment: such deception however as is practised in this way, could not be prevented, without resorting to a system of penalties that would be more likely to injure trade, than to prove a remedy for the evil. Besides, these exaggerations in value, may be set against charges paid in and benefitting Bombay. As regards imports, all the principal articles are subject to duty, and there need not be much difficulty is ascertaining, through your department, a very close approximation to the real value of these as laid down in Bombay, for there is no reason to suppose that import values are stated otherwise than with fair accuracy.

The Committee believe that on the whole, values are as fairly given here as in England, and they are unable to suggest any alteration that could be considered an improvement on the present system.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX J.

FORM OF BILL OF LADING FOR STEAMERS BETWEEN BOMBAY AND LIVERPOOL VIA SUEZ CANAL.

CIRCULAR LETTER.

LONDON, *20th January* 1872.

To the IMPORTERS and EXPORTERS of MERCHANDISE trading with India, the Straits, China and Japan.

GENTLEMEN,—The Committee appointed by you at the public meeting held at the London Tavern on the 11th July 1871, for the purpose of revising the conditions that had been introduced into Bills of Lading by steam vessels trading to Eastern ports *via* the Suez Canal, have been engaged in a very careful examination of the whole subject. They have, in accordance with the instructions originally given them, been in friendly communication with a committee of London steamship owners presided over by Mr. C. M. Norwood, M. P. After a tedious and protracted negotiation the two Committees have jointly agreed to a general form of Bill of Lading Outwards, to which (in order to protect it as far as possible from future interpolations), the distinctive name of "Eastern Trade Bill of Landing" has been given; and, with a view of meeting the special conditions of steamship voyages to different parts of the East, two other forms, containing the necessary variations from the general form, have been likewise adopted. For your information I have the pleasure to enclose copies of these three forms, numbered respectively 1, 2, and 3.*

It being very desirable that the new forms should come immediately into general use, the Committee strongly recommend your prompt adoption of them, and that, as far as

* Not printed here.—Secy., B. O. C.

practicable, you should require that they be used by any steam vessel in which you engage to ship goods to Eastern ports *viâ* the Suez Canal. They also recommend that, to ensure the benefit of a complete protection to your sea risks, the policies taken out on such voyages should cover the merchandise "in terms of the Eastern Trade Bill of Lading."

The conditions of the Bill of Lading Inwards by steam ships are still under negotiation with the Shipowners' Committee; but it has been thought advisable not to delay on this account the issue of the Bills of Lading Outwards, so that the new forms might come into force from about the commencement of the present year. Copies stamped or unstamped may be had from Messrs Waterlow and Sons, London Wall, or Birchin Lane; any other Printer or Stationer being at liberty to publish and sell them.

The Committee propose to report their proceedings more fully when their duties come to a termination with the publication of the Bill of Lading Inwards. At present it is only necessary for them to observe that, although some of the stipulations to be found in the forms now issued are less favourable to the interests of merchants than they could desire, some compromise of the conflicting claims of shippers and shipowners became essential, and both were called upon to make occasions. It has been the aim of the Committee to arrange this compromise in as fair a spirit as they could devise. They believe the form adopted to be a reasonable one for all the interests concerned, while if, by the support of those engaged in the trade, it is made to supersede the numerous diverse and unreasonable Bills of Lading now in use, the advantages of a uniform and universally recognised wording must be self-evident.—I am, &c.,

J. MACANDREW, Chairman of the Committee.

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3. LOMBARD STREET, LONDON, 18*th June* 1872.

To the CHAIRMAN of the CHAMBER of COMMERCE, Bombay.

SIR,—I have the honour to send you herewith by book post twelve copies of the "Report of the Committee of "Merchants trading with the East, appointed to consider "and amend the conditions of Bills of Lading by Steamships

"passing through the Suēz Canal," together with twelve copies of the Draft Bill of Lading appended thereto.

The merchants of London, while desirous to see introduced the amended conditions which have been embodied in this Bill of Lading, rely on the co-operation of merchants resident in the East, who are no less interested in the matter, to carry their purpose into effect. I request, therefore, that you will have the kindness to lay the documents herewith before your Chamber; and should they be approved of, to move your Chamber to take measures for practically introducing the Bill of Lading into the trade. The mode of doing so must be left to your own good judgment; but the collective declaration of the Chamber adopting the Bill of Lading and recommending its general use at your port would doubtless carry great weight, and perhaps render further steps unnecessary.

In event of continued objections on the part of the masters or agents of steamers there should be no great difficulty in arranging to lay one or more steamers on the berth for London with the announcement that the Eastern Trade Bill of Lading would be signed for shipments made by them. If these vessels were generally supported by the members of the Chamber, and support at the same time withheld from their competitors adhering to the old Bills of Lading, the exclusive use of the former ought to be speedily established. The present seems a favourable time for trying the experiment when the number of steamers in the East is so great, and much competition consequently exists among them.

In the renewed hope that this important matter will be effectually dealt with by your Chamber,—I have, &c.,

J. MACANDREW,
Chairman of the Committee of Merchants
Trading with the East.

Report of the Committee of Merchants trading with the East appointed to consider and amend the conditions of Bills of Lading by Steamships passing through the Suez Canal.

The Committee entered upon its duties in pursuance of the following resolution passed at a meeting of Merchants

and others interested in the Trade with the East, which was held at the London Tavern on the 11th July, 1871 :—

That a Committee of Merchants be appointed to consider all the special stipulations that have been introduced into Bills of Lading for Steam Vessels, and to confer thereon with the representatives of the Steam Ship-owners and Underwriters, with the view of drawing up a general form of Bill of Lading which shall be equitable in its conditions to all parties; and to arrange such a method of settling the freight as may remedy existing irregularities.

Power was also given to the Committee to add to its numbers, and it was finally constituted as follows :—

Mr. James MacAndrew, *Chairman*..(Messrs. Matheson & Co.)
Mr. G. Arbuthnot .....(Messrs. Arbuthnot, Latham & Co.)
Mr. Wm. Broughall.....(Messrs. Broughall & Co.)
Mr. W. H. Crake.....(Messrs. Crawford, Colvin & Co.)
Mr. Lancelot Wm. Dent .....(Messrs. Dent, Palmer & Co.)
Mr. Horace Farquhar.....(Messrs. Forbes, Forbes & Co.)
Mr. John Fleming .....(Messrs. Smith, Fleming & Co.)
Mr. E. Halton .....(Messrs. T. A. Gibb & Co.)
Mr. F. W. Heilgers .....(Messrs. Wattenbach, Heilgers & Co.)
Mr. John E. Ralli- ....(Messrs. Ralli Brothers.)
Mr. George Ross.....(Messrs. James Wyllie & Co.)
Mr. S. L. Schuster.....(Messrs. Schuster, Son & Co.)

The Committee has likewise had the benefit of the valuable advice and assistance of Mr. J. A. W. Harper, Secretary of Lloyd's Salvage Association, who had, on behalf of the Association, devoted much attention to the conditions of Bills of Lading.

As convincing proof the necessity of their enquiries and of the pressing nature of the evils to be remedied in re-adjusting the freight contract, the Committee need only refer to a sheet published by Lloyd's Salvage Association, and very generally circulated among merchants, in which the exemptions of the ship from liability in various contingencies are classified in a tabular form. There was little difficulty in determining which of these conditions most urgently called for abolition or alteration, and the Committee then lost no time in seeking the co-operation of Steam Ship-owners in arriving at a common understanding upon the subject. A meeting of the latter body was called in London, and a Committee, of which Mr. C. M. Norwood, M.P., was Chairman, was appointed to concert terms with the merchants.

The two Committees addressed themselves in the first instance to the examination of the Bill of Lading Outwards, and after prolonged discussion and a series of compromises on both sides, the "Eastern Trade Bill of Lading Outwards" was agreed upon, and published in three forms, slightly varied to suit different voyages:—

No. 1.—For an ordinary voyage to the East direct, or trading at intermediate ports.

No. 2.—For a voyage to India, trading at Colombo, Madras, or other open roadsteads on the Malabar or Coromandel Coast.

No. 3.—For a voyage involving trans-shipment, the steamer not proceeding to the port for which she accepts cargo, such as Rangoon, Batavia, or Japan.

This agreement was promptly announced to merchants in a circular issued by the Chairman of the Committee, dated 20th January, 1872, appended to which were copies of the three revised forms of Bills of Lading. The new form came into immediate use; and it affords the Committee much gratification to testify that it has been very generally accepted, not only in London, but in Liverpool and Glasgow also, and has proved a useful and successful document. One exception to its universal use is the Liverpool line of steamers to the Straits and China, known as Holt's line. The Committee, in their circular of 20th January, recommended that as far as practicable shippers should require that the Eastern Trade Bill of Lading be used by any steam vessel in which they engaged to ship goods *via* the Suez Canal. Had this recommendation been more generally acted upon, there is no doubt that the Managers of Holt's line would have ere now adopted the new form; but if shippers of goods put it in their power, by continued support of their steamers, to decline compliance with the agreement accepted by all other private steam ship-owners in the trade, the efforts of the Committee to benefit merchants by the introduction of an improved system are so far frustrated. The Committee believe that the results of the Agreement have been beneficial alike to ship-owner and merchant, and that the advantages of uniformity of system have not been too dearly purchased by the compromises acceded to. If shippers entertain the same view, it rests with themselves alone to necessitate compliance by declining to ship in any

line of steamers where the Eastern Trade Bill of Lading is not recognised.

With the two great companies controlling the Overland Route, the Peninsular and Oriental Steam Navigation Company, and the Messageries Maritimes of France, no negociations have yet been entered into. There are many stipulations in their respective Bills of Lading which seem to the Committee to be very prejudicial to the interests of merchants; but it must be conceded, on the other hand, that their mail contracts, and the circumstance of their being essentially passenger lines, impose special obligations upon them, and render stringent conditions more necessary than in the case of other steamers. At the same time, when the vessels pass through the Suez Canal, as is now very generally done by the French, and occasionally by the English Company, the Committee see no good reason why a slight modification of the Eastern Trade Bill of Lading should not meet all the exigencies of the case; and it rests with shippers to take measures for bringing about an alteration in this respect.

Copies of the three forms of the Eastern Trade Bill of Lading Outwards, attested by the Chairman of the two Committees, have been deposited in the custody of the Committee of Lloyd's, to serve for purposes of reference as to the standard text of the Bill of Lading agreed upon.

The Committee regret that in the case of the Bill of Lading Inwards they are unable to report an equally satisfactory result of their labours. It was agreed between the two Committees that the Bill of Lading Outwards should be substantially followed with such verbal alterations as were required by the change of the voyage; but that special clauses applicable to the port of London should be introduced respecting the delivery of cargo and payment of freight. The system of discharging ships at Liverpool and elsewhere is very different, and might require differently worded clauses, which the trade of the various ports interested would have to adjust.

It was soon found that on these clauses the two Committees were essentially at variance. As respects the delivery of cargo, the difference of opinion was not so wide as to preclude the hope of an arrangement, the merchants merely desiring to be protected against a surprise, by which their goods would be warehoused by the agents for the ship,

before they knew or had the means of knowing of her arrival. The following was the clause proposed by the Committee: —

> One clear working day after the day on which the ship reports at the Custom House, and is docked, is to be allowed for applications for delivery; and if thereafter the goods are not removed without delay by the consignee, the master or agent is to be at liberty to land and warehouse the same, or, if necessary, to discharge into hired lighters, at the risk and expense of the owners of the goods.

The clause finally proposed by the Shipowners' Committee was as follows:—

> Twenty-four hours (Sundays and holidays excepted) after the ship reports at the Custom House, and is docked, are to be allowed for applications for delivery; and if thereafter the goods are not removed by the consignee immediately they come to hand in discharging the ship, the master or agent is to be at liberty to land and warehouse the same, or, if necessary, to discharge into hired lighters, at the risk and expense of the owners of the goods.

As it is not customary or practicable in London to give consignees notice of the ship's arrival except by publication of her report in the bill of entry the morning after it is made, the clause adopted by your Committee seems decidedly the more reasonable of the two, especially as the hour of the ship's report is a point on which the consignee of goods cannot possess any evidence. Moreover, the bulk of the warehousing entries would certainly be passed within twenty-four hours, and the steamer's discharge be thus very rarely interrupted, while if she landed the whole of her cargo on the dock quay, as is most usually done, no interruption at all could take place.

On the more difficult question as to the mode of paying freight some explanations are necessary. When the terms of the Bills of Lading now used run "Freight payable in London," "Freight payable on delivery," or even "Freight payable as customary" the shipowners contend that, according to the usage established by themselves since the introduction of steam vessels into the trade with the East, they are empowered to detain the goods on board, or in the dock or

warehouse of their own selection, until the freight is paid in advance of delivery, or, what is practically the same thing, simultaneously with delivery. It will not be forgotten that this is precisely the grievance of which merchants have for years past complained, and to remedy which was one of their principal objects in organizing a Committee of their number. The Shipowners' Committee continue to maintain the above position; and their chief arguments for so doing may be thus expressed:—

I. That payment in advance of delivery is now the established usage of the trade.

II. That it is necessary for their protection against the insolvent or fraudulent consignee of cargo.

III. That it is unreasonable to expect them to follow goods to the wharf or warehouse appointed by the consignee, either for the purpose of collecting the freight upon them or ascertaining the correctness of delivery.

IV. That goods in transit to the wharf or at the wharf may be plundered or damaged by the servants or agents of the consignee, for which, in the absence of distinct proof, the ship would be held liable.

V. That a large proportion of the freight earned is expended in advance on coals, canal dues, and other charges peculiar to steamers, to which, therefore, immediate returns from their earnings are essentially necessary.

VI. That to defer payment of the inward freight for thirty days would render it impossible for steamship owners to carry on their business, owing to the large increase of capital which it would call for.

To these arguments the merchants reply—

I. That the present usage as to payment is of quite recent introduction, deriving any validity it has from the terms of Bills of Lading drawn up by shipowners themselves, and that so far from being established by common consent, it has been constantly objected to by consignees of goods.

II. That the shipowner has a perfect protection for his freight in what is known as the dock or wharf *stop*, with which there is no intention of interfering, and by which the warehouse-keeper engages not to part with the goods to any one until he receives a release from the shipowner. To meet the rare case of insolvent or fraudulent wharfingers,

the Committee were quite willing to concede that the shipowner might object to the goods being delivered into the custody of any such until his freight was paid.

III. That to constitute proper delivery the consignee must have the opportunity of ascertaining that his goods are according to Bill of Lading, while the existing system does not afford this opportunity either on board ship or on the dock quay. The shipowner, therefore, cannot be absolved from following the goods to their final destination, as until they are there examined, weighed, and measured it is quite out of his power to render a freight account.

IV. That this objection merely calls for an improved and less hurried method of taking the delivery account, as between the Dock Company, who are the agents of the ship, and the Wharfingers, who are the agents of the merchants, and that the Merchants' Committee would gladly co-operate in the establishment of such an improved system. Cases of plunder could then be traced without difficulty to the parties guilty of them.

V. & VI. That it is no part of the merchant's functions to provide capital for carrying on the shipowner's business; and that in London there can be no difficulty whatever in procuring money on so excellent a security as the assignment of a steamer's freight, payable in thirty days.

The Merchants' Committee have likewise to point out, that, as a matter of fact, the larger portion of a steamer's freight is voluntarily paid before her discharge, in order that the merchant may obtain possession of the freight release, especially in the common case of goods sold to arrive. They object, however, to be compelled to pay upon the shipowner's estimate of what the freight may eventually amount to, and before he has completed his share of the contract by the delivery of the goods. The term of thirty days has been fixed as the lowest average period in which the landing account of an ordinary cargo can be looked for, there being no desire on the part of the Committee to delay payment longer than may be requisite to ascertain the precise amount of freight, and the claims (if any) against the steamer for short delivery, ship damage, or other default.

Upon this divergence of views, the negotiation between the two Committees has been broken off. The only concession proposed by the Shipowners' Committee has been that delivery should be made on pre-payment of four-fifths of the estimated freight, instead of the whole. This suggestion,

however, seemed to your Committee to be just as objectionable in principle, and inconvenient in practice, as the existing system, and it was not seriously discussed. They subjoin the clause as they have drafted it:—

> Freight for the said goods at and after the rate of per ton of delivered is to be paid subsequent to the landing thereof by cash in London not later than thirty days after the ship's reporting at the Custom House, or upon any earlier day on which a freight release may be required and received by the consignee.

While the wording proposed by the shipowners is as follows:—

> Freight for the said goods at and after the rate of per ton, is to be paid by cash in London, when the ship is ready to discharge.

The Shipowners' Committee likewise sought to re-introduce into the Bill of Lading Inwards the exemption for damage by vermin, which by mutual consent had been expunged from the Bill of Lading Outwards. They further proposed for your Committee's adoption the following clause:—

> The Bill of Lading duly endorsed is to be delivered to the agent on demand after arrival, in exchange for the master's copy, and an order for the delivery of the goods.

On this latter it will be sufficient to observe that your Committee obtained a legal opinion, which was to the effect that the shipowner had no right to require the surrender of an endorsed or cancelled Bill of Lading until he had completed delivery of the goods comprised in it.

The Committee having devoted much care to the drafting of the Bill of Lading herewith, styled the "Eastern Trade Bill of Lading Inwards, No. 4," recommend it for adoption by merchants trading to the East, and would urge that they use their best efforts through their correspondents abroad to have it recognised and brought into use at the ports of shipment; declining, so far as may prove practicable, to allow their goods to be shipped by steamers the owners of which continue to enforce the use of the old forms.

In the Committee's circular of 20th January it was recommended "that to ensure the benefit of a complete protection to sea risks, the policies taken out on voyages by steamer *vid* the Suez Canal should cover the merchandize 'in terms of the Eastern Trade Bill of Lading.'" When

this recommendation was brought before Underwriters, the clause suggested was at once objected to as imposing upon them new and undefined liabilities. A meeting was held at Lloyd's on the 21st February, which resulted in the appointment of a Committee, representing both the Insurance Companies and private Underwriters, to consider the question further, and if possible to come to an agreement respecting it. With this Committee the subject has been very fully considered and discussed by your Committee. The intention of your Committee in their original recommendation was sufficiently evident from their expressing their object to be the more complete protection of the *sea risks* to which the Bill of Lading related; but they are quite willing to admit that the language proposed for the clause was too wide and vague in its terms, and might have been interpreted as involving Underwriters in some of the liabilities from which shipowners had, by the revised Bill of Lading, been specially exempted. In order to draft a clause more exact in its wording, the first matter to be determined was the precise meaning attached, both by the assurers and the assured, to the risks covered by a policy on goods which had been shipped under the Eastern Trade Bill of Lading. On this point the Committee are happy to state that they have arrived at a satisfactory understanding with the Underwriters' Committee, of which the following is an abstract :—

The Underwriters' risk on the voyage named, calling at the intermediate ports named, is to include—

Coaling at other intermediate ports not named.

Taking in and discharging cargo while so coaling.

Sailing with or without pilots.

Towing and assisting vessels in all situations of distress.

Loss or damage arising from the machinery or boilers.

Dangers and accidents arising from the navigation of the Suez Canal.

Any act, neglect, or default whatsoever of pilots, master, or crew in the management or navigation of the ship, provided the expression "management of the ship" shall not be held to include any act connected with the stowage or other dealing with the cargo of the ship not arising out of a sea peril.

In addition to all risks comprehended and provided for in the body of this policy.

The Underwriter is not to be liable for acts or default of the shipper unconnected with sea perils, such as insuffi-

cient packing, incorrect marking, improper description, absence of declaration for inflammable or dangerous goods, or insufficient declaration of value for specie and valuables.

The Underwriter, however, is to be liable as heretofore for the consequences of sea damage or sea perils of any kind, such as leakage, breakage, sweat, rust, decay, when traceable to that origin, but not otherwise. Damage by coal dust when not mixed up with damage by seawater is to be borne by the merchant.

In case of the goods being placed in quarantine depôt float or ashore previous to the final delivery to the consignee the Underwriters' risk will continue until such final delivery, and will cover risk of boats to and from such depot.

In case of blockade the Underwriters are understood to cover the voyage to the port of discharge selected by the captain as fully and effectually as to the port of discharge named in the policy, their liability ending with the landing of the goods at the former destination.

Should the voyage be extended beyond the destination named in the policy, as when the goods cannot be found, or from stress of weather cannot be landed, the Underwriters are to be entitled to receive additional premium for the extra risk incurred.

It was agreed that it was unnecessary to embody the whole of this understanding in the policy, as most of it is universally accepted by under-writers. It is true that the legal construction of a policy of insurance would not go beyond its expressed conditions; but after a recorded declaration of the meaning attached to it by the representatives of both Merchants and Underwriters, it need hardly be feared that the latter would contest a claim which clearly fell within the scope of the declaration. The efforts of the two Committees were therefore directed to framing a clause which should embody such conditions of the Bill of Lading as were not sufficiently protected by the ordinary practice of Underwriters, and especially a deviation clause which would cover the deviations permitted in the Bill of Lading for coaling purposes, for towing vessels in distress, and for proceeding to another port in case of blockade. The following is the clause that has been agreed upon by the two Committees to be printed on a slip and attached to the margin of the policy, when so required by the assured:—

The goods hereby insured being shipped under the Eastern Trade Bill of Lading No. , it is agreed that the terms of this policy shall apply to the following sea perils therein referred to, in addition to such risks as are already hereby covered :—

1. All deviation of voyage provided for in the said Bill of Lading, with any risk of landing carriage incidental to the voyage.
2. Sailing with or without pilots; and any act, neglect or default whatsoever of pilots, master or crew in the management or navigation of the ship, improper stowage excepted.
3. All risks attending the goods by reason of their discharge into, retention at, and delivery from any quarantine depot afloat or shore.
4. In case of the goods being carried on to a more distant port through stress of weather or because they cannot be found, the marine risk of the additional voyage as well as of the return voyage to their destined port, the assured agreeing to pay for such extra risk such premium as may be agreed upon.

The attention of your Committee has been directed to a discussion originated in the *Times* newspaper, as to the risk of fire on the dock quays, when cargo is landed there by the ship before its final delivery to the consignee. It seems very doubtful whether a claim for loss so caused would attach under the marine policy, the obligations of which are discharged when the goods "are safely landed." It has even been doubted whether a policy "including risk of boats," would cover the lighterage to a wharf, after the vessel had been docked and the goods placed in the first instance on the quay. The only sufficient remedy is to introduce a special clause into policies on goods destined for London, whether issued at home or abroad, to the effect that the goods are covered, if landed in transit for delivery to the consignee, or while being conveyed by boats or craft to his warehouse. This of course would have to be a matter of special agreement in each case.

It is only requisite to add that the Committee is now dissolved, as its functions terminate with the issue of this Report.

J. MACANDREW, Chairman of the Committee.

London, 18*th June* 1872.

EASTERN TRADE BILL OF LADING INWARDS. No. 4.—Via "SUEZ CANAL."

Shipped in good order and condition, by on board the steam ship whereof is master for this present voyage and bound for LONDON, *via the Suez Canal*, with liberty to discharge and receive lying in the Port of and to take in coal or other necessary supplies at any intermediate port or goods and passengers at being marked and numbered as per margin; and to be ports, to sail with or without pilots, and to tow and assist vessels in all situations of distress, delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles (where the ship's responsibility shall cease,) at the aforesaid Port of LONDON, or so near thereunto as she may safely get, unto or to his or their assigns. Freight for the said goods at and after the rate of per ton of delivered is to be paid subsequent to the landing thereof by cash in LONDON not later than thirty days after the ship's reporting at the Custom House, or upon any earlier day on which a freight release may be required and received by the consignee.

The following are the exceptions and conditions above referred to:—

Weight, measure, quality, contents, and value unknown.

The Act of God; the Queen's enemies; pirates; robbers by land or sea; restraint of princes, rulers or people; loss or damage from machinery, boilers or steam, or from explosion, heat, or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever of Pilots, Master, or Crew in the management or navigation of the ship; and all and every the dangers and accidents of the seas, rivers, and canal, and of navigation of whatever nature or kind are excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages; for inaccuracies, obliteration or absence of marks, numbers, address or description of goods shipped; leakage; breakage; loss or damage by dust from coaling on the voyage; sweat; rust; decay. Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the owners of the goods.

The Steamer while detained at any port for the purpose of coaling is at liberty to discharge and receive goods and passengers.

The owners of this Steamer will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package, unless the Bills of Lading are signed for such goods, and the value declared therein.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the Shippers or Owners of such fluids or goods.

One clear working day after the day on which the ship reports at the Custom House, and is docked, is to be allowed for applications for delivery; and if thereafter the goods are not removed without delay by the consignee, the master or agent is to be at liberty to land and warehouse the same, or, if necessary, to discharge into hired lighters, at the risk and expense of the owners of the goods.

In case of quarantine, the goods may be discharged into quarantine depot, hulk, or other vessel, as required for the ship's despatch. Quarantine expenses upon the goods, of whatever nature or kind, shall be borne by the owners of the goods.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk of the owners of the goods; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

IN WITNESS whereof the master or agent of the said ship has signed bills of lading, exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at

Report from the Committee of Management to the Members of the Bombay Chamber of Commerce, on a form of Bill of Lading for Steam-ships between Bombay and Liverpool passing through the Suez Canal.

YOUR Committee having carefully considered the report of the London Committee of Merchants on the Eastern Trade Bill of Lading, Inwards No. 4, via Suez Canal, the Bill of Lading itself, and the written opinions that have been expressed thereon by the members of the Chamber, recommend that the question of preparing a Bill of Lading for London, or a general one to suit all ports in England and the Continent of Europe, be left in the meantime in abeyance.

Bombay is mainly interested in having a Steamer Bill of Lading suited to the trade and the port of Liverpool, and your Committee are of opinion that the Chamber should at any rate, to begin with, limit its endeavour to the framing of a Bill of Lading that would be accepted by the Liverpool steam-ship owners.

The point on which the shipowners and merchants in London were unable to agree, was the question as to whether freight should be paid in cash, or whether the consignee of cargo should be allowed thirty days' credit.

Liverpool importers of cotton by steamer have now become quite accustomed to paying freight in cash, and your Committee consider that it would be unwise to attempt to make any change in a custom which causes no hardship and can make only a very slight difference to merchants. If steam-ship owners are willing to expunge the objectionable clauses that give such extraordinary power as regards transshipment and the attempt thereby to absolve owners from risks and liabilities to which they ought in fairness to be subject, your Committee are of opinion that steam-ship owners should be allowed to continue to demand payment of freight in cash.

Your Committee have therefore made alterations in the Eastern Trade Bill of Lading No. 4, which they believe will meet with the approval of merchants in Bombay, and will also induce owners of steam-ships to accept willingly the Bill of Lading for Liverpool cargo.

In lieu of the clause—

"Freight for the said goods at and after the rate of per ton of "delivered is to be paid subsequent to the landing thereof by cash in Lon-

"don not later than thirty days after the ship's reporting at the Custom "House, or upon any earlier day on which freight release may be required "and received by the Consignee,"

they have substituted the clause inserted in the Bombay and Bengal Company's Bill of Lading, which runs as follows:—

"On payment of freight for the said goods in cash as per margin in "Liverpool."

And instead of the clause—

"One clear working day after the day on which the ship reports at the "Custom House, and is docked is to be allowed for applications for deli- "very; and if thereafter the goods are not removed without delay by the "consignee, the master or agent is to be at liberty to land and warehouse "the same, or, if necessary, to discharge into hired lighters, at the risk and "expense of the owners of the goods,"

they have inserted another clause from the Bill of Lading before named, which reads thus—

"Should the goods not be taken delivery of by the consignees or assigns "so soon as the steam-ship is ready to discharge, they will be landed and "warehoused at the port of destination at the merchant's risk and "expense."

The only other change made in the London Committee of Merchants' Bill of Lading, No. 4 Inwards, is to place after

"Leakage, breakage, loss or damage from coaling on the voyage,"

the words

"Except from improper stowage,"

This slight alteration is a just protection to merchants, which your Committee believe will be accepted without demur by owners of steam-ships.

The Bill of Lading, as thus amended, has been printed, and a copy is herewith enclosed for your perusal.

Your Committee propose to convene a Special General Meeting of the members of the Chamber at an early date, when they will submit a resolution proposing that the Bill of Lading as amended be confirmed by the Chamber as the standard Bill of Lading for shipments from Bombay to Liverpool.

Your Committee trust the members of the Chamber may see their way to adopting the suggestions herein made as affording a prospect of an understanding being arrived at between merchants and steam-ship owners, which will prevent the recurrence of such disputes as we have hitherto been accustomed to almost daily during the busy season.

Some compromise is necessary on both sides. Judging by the report of the London Merchants' Committee, steam-ship owners would accept the other terms of the Bill of Lading, provided it be stipulated that freight shall be paid in cash; and your Committee are of opinion that merchants should agree to this condition in order to secure the concessions that would thereby be obtained.

The terms of the Bill of Lading now proposed are so reasonable that owners will probably, after perusal, readily agree to its being generally used.

For shipments to London a special arrangement as to form of Bill of Lading will of course have to be made. The agents of the regular lines of steamers will doubtless have to consult their directors at home before making any change; and the members of the Chamber are well aware that the P. and O. Company require a special form of their own, as they carry H. M.'s Mails and trans-ship nearly all their cargo.

The Bill of Lading now recommend by your Committee for adoption is intended only for a direct voyage from Bombay to Liverpool.

Bombay Chamber of Commerce, 14th August 1872.

Resolution passed at a Special General Meeting of the Bombay Chamber of Commerce, held 28th August 1872, *on a form of Bill of Lading from Bombay to Liverpool via Suez Canal.*

Proposed by the Hon'ble J. K. Bythell, Messrs Gaddum & Co., Chairman of the Chamber, seconded by Mr. J. F. Moir, Agent, Oriental Bank Corporation—

"That this Chamber having considered the Report of the Committee of Management on the subject of a Bill of Lading for Steam Ships from Bombay to Liverpool passing through the Suez Canal, and the form of Bill of Lading submitted therewith, approves the same, and resolves that the said form be adopted as the Standard Bill of Lading of this Port for shipments to Liverpool via Suez Canal."—Carried unanimously.

JAMES TAYLOR, Secretary.

Form of Bill of Lading from Bombay to Liverpool via Suez Canal, approved by the Bombay Chamber of Commerce at a Special General Meeting held 28th August, 1872.

EASTERN TRADE BILL OF LADING INWARDS TO LIVERPOOL Via "SUEZ CANAL."

Shipped in good order and condition, by steam ship lying in the Port of passengers at with or without pilots, and to tow and assist vessels in all situations of distress, on board the whereof is master for this present voyage and bound for LIVERPOOL, *via the Suez Canal*, with liberty to discharge and receive goods and and to take in coal or other necessary supplies at any intermediate port or ports, to sail being marked and numbered as per margin; and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles (where the ship's responsibility shall cease,) at the aforesaid Port of LIVERPOOL, or so near thereunto as she may safely get, unto or to his or their assigns on payment of Freight for the said goods in cash, as per margin, in Liverpool

The following are the exceptions and conditions above referred to :—

Weight, measure, quality, contents, and value unknown.

The act of God ; the Queen's enemies ; pirates ; robbers by land or seas ; restraint of princes, rulers or people ; loss or damage from machinery, boilers or steam, or from explosion, heat, or fire on board, in hulk or craft, or on shore ; jettison ; barratry ; any act, neglect, or default whatsoever of Pilots, Master, or crew in the management or navigation of the ship ; and all and every the dangers and accidents of the seas, rivers, and canal, and of navigation of whatever nature or kind are excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages ; for inaccuracies, obliteration or absence of marks, numbers, address or description of goods shipped ; leakage ; breakage, loss or damage by dust from coaling on the voyage except through improper stowage ; sweat ; rust, ; decay. Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the owners of the goods.

The Steamer while detained at any port for the purpose of coaling is at liberty to discharge and receive goods and passengers.

The owners of this Steamer will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package, unless the Bills of Lading are signed for such goods, and the value declared therein.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the Shippers or Owners of such fluids or goods.

Should the goods not be taken delivery of by the consignees or assigns so soon as the steam-ship is ready to discharge, they will be landed and warehoused at the Port of destination at the risk and expense of the owner of the goods.

In case of quarantine, the goods may be discharged into quarantine depôt, hulk, or other vessels, as required for the ship's despatch. Quarantine expenses upon the goods, of whatever nature or kind, shall be borne by the owners of the goods.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk of the owners of the goods ; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

In Witness whereof the master or agent of the said ship has signed bills of lading, exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at

No. 268 of 1872.

BOMBAY CHAMBER OF COMMERCE, *5th Sept.* 1872.

J. MACANDREW, Esq., Chairman of the Committee of Merchants trading with the East ; 3, Lombard Street, E. C., London.

SIR,—I am directed by the Committee of Management of this Chamber to acknowledge the receipt of your letter of 18th June last, together with twelve copies of the Report of the Committee of Merchants trading with the East, and also twelve copies of the Draft Bill of Lading appended thereto.

The valuable report of the Committee was most carefully considered by this Chamber, but it was soon seen that the point on which you diverged so widely from the steam-ship owners, namely, the question as to the payment of freight, had only a trifling application to the trade of this port, which is principally carried on with Liverpool and some of the leading Continental ports.

In these circumstances, and availing of the suggestions made in the London Committee's Report, the Committee of this Chamber prepared a Form, Bill of Lading from Bombay to Liverpool via the Suez Canal, which, with a report from the Committee on the subject, was submitted for the consideration of the Members at a Special General Meeting held on the 28th ultimo, at which a resolution adopting the Bill of Lading submitted was unanimously agreed to, and I have now the pleasure to enclose herewith copy of the Resolution and of the Form of Bill of Lading agreed to.

You will observe that all the clauses, with the exception of those referring to the payment of freight and certain details regarding delivery necessary in the trade with Liverpool, are taken from the excellent Bill of Lading prepared by the Committee over which you presided, and the Chamber trusts this Bill of Lading will have the support of both merchants and shipowners connected with the trade between Bombay and Liverpool.

I have forwarded to your address in a separate packet, by book-post, ten copies of the Bill of Lading with two copies of the Committee's Report to the Members of the Chamber, and the Committee will be obliged by your kindly making the

Bill of Lading known as opportunities of a suitable character may offer.

It is matter of regret that no arrangement has been come to regarding the transhipment clauses that have been introduced into Steam Ship Bills of Lading within the last three years, and have caused so much annoyance alike to shippers, bankers, and underwriters: the matter was brought to the notice of the Members of this Chamber at the Public Meeting above-mentioned, but as no practical suggestion was offered for dealing with the subject, the discussion was allowed to drop.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX K.

THE COTTON FRAUDS ACT AND ADMINISTRATION OF COTTON DEPARTMENT.

No. 237 of 1871.

BOMBAY CHAMBER OF COMMERCE, 17*th October* 1871.

To the CHIEF SECRETARY to the GOVERNMENT of BOMBAY.

SIR,—I am directed to state, for the information of His Excellency in Council, that the attention of the Chamber has been drawn to the Resolution of Government, No. 2050, in the General Department, dated 26th July last, in para. 2, of which it is stated, "His Excellency in Council desires particularly to draw the attention of the Committee (on International Exhibitions) to cotton, to ensure a good exhibition, of which he has directed an appropriation not exceeding Rs. 20,000 from the Cotton Fund."

The Committee of Management of the Chamber desire to point out that if "the Cotton Fund" here mentioned be the "Cotton Improvement Fund" formed under Section XIII. of the Bombay Act IX. of 1863, the appropriation of a portion of the funds in the manner contemplated is, in the opinion of the Committee, inconsistent with the provisions of Section XIII., which distinctly states that the fund must be "appropriated by the Governor in Council of Bombay *solely* towards carrying out the objects of this Act."

For the repeal of Act IX. of 1863, a memorial was addressed to Government by the Chamber more than six months ago, to which memorial the Chamber still waits for a reply.

Meantime the Committee desire to draw attention to the point, that while the Act continues in force in the event of the receipts exceeding the cost of working the Act, the amount of the fee should be reduced. A principle distinctly recognised by Government, in the first paragraph of Government letter to the Chamber, No. 2125 of 1865, in the Revenue Department, dated 18th May 1865.—I have, &c.,

JAMES TAYLOR, *Secretary.*

No. 5698 of 1871.

BOMBAY CASTLE, 15*th November* 1872.

From the Hon'ble E. W. RAVENSCROFT, Acting Chief Secretary to the Government of Bombay.

To the SECRETARY of the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to your letters on the subject of Act IX. of 1863, I am desired by the Right Hon'ble the Governor in Council to state that the matter has been and till is occupying his serious attention.—I have, &c.,

H. E. JACOMB,
For Acting Chief Secy. to Govt., Rev. Dept.

No. 254 of 1871.

BOMBAY CHAMBER OF COMMERCE, 23*rd November* 1871.

To the Hon'ble E. W. RAVENSCROFT, Acting Chief Secretary to Government, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter No. 5698 of 1871, dated 15th instant, stating that the letters from the Chamber on the subject of Act IX. of 1863 are still occupying the serious attention of the Right Hon'ble the Governor in Council.

In reply I am desired by the Committee of Management respectfully to point out that it is now nearly eight months since the Memorial from the Chamber for the repeal of the Cotton Frauds' Act was laid before Government, and I am to express the hopes of the Committee that the answer of His Excellency in Council to a memorial on a question of so much importance to the mercantile community will not be much longer delayed.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 6435 of 1871.

BOMBAY CASTLE, 22*nd December* 1871.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In forwarding the accompanying copy of a

letter from the Officiating Inspector-in-Chief, Cotton Department, No. 590, dated 15th instant, I am directed to request you will be good enough to supply the information asked for by Major Moore.—I have, &c.,

H. E. JACOMB,
Under Secy. to Govt., Rev. Dept.

BOMBAY, *15th December* 1871.

To the Hon'ble E. W. RAVENSCROFT, Acting Chief Secretary to Government.

SIR,—In acknowledging receipt of your letter No. 6091 of 5th December 1871, with accompaniment, I have the honour to request that I may be informed more specifically as to the districts mentioned in para. 8 of the Chamber of Commerce's Memorial, dated 31st March 1871.

2. I would wish that the Chamber should state the exact localities comprised under the head of "certain parts of Kattywar" also the localities comprised under the head of "certain districts in British Guzerat."—I have, &c.,

A. T. MOORE, Major,
Offg. Inspector-in-Chief, Cotton Department.

(True Copy.)

H. E. JACOMB,
Under Secy. to Govt., Rev. Dept.

No. 267 of 1871.

BOMBAY CHAMBER OF COMMERCE, *26th Dec.* 1871.

To the ACTING CHIEF SECY. to GOVT., Rev. Dept., Bombay.

SIR,—I have to acknowledge the receipt of Mr. Under Secretary Jacomb's letter, dated 22nd instant, with its accompaniment, and in reply I am directed to state, for the information of the Acting Cotton Commissioner, that the words "certain parts of Kattywar," in para. 8 of the Chamber's Memorial for the repeal of the Cotton Frauds Act, refer to Mowa and Bhownugger; and the words "certain districts in British Guzerat," to the Broach districts, in reference to which I have to refer you to a letter

to Government from the Chamber, dated 12th June 1869, and printed at pages 127—128 of the Chamber Report for the year 1868-69.—I have, &c.

JAMES TAYLOR, Secretary.

No. 255 of 1872.

BOMBAY CASTLE, 18*th January* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to forward, for the information of the Chamber of Commerce, the accompanying copy of the Annual Administration Report of the Cotton Department for the year 1870-71, and of the Resolution passed thereon by this Government, No. 100, dated 9th instant.—I have, &c.

H. E. JACOMB,
Actg. Chief Secy. to Govt., Rev. Dept.

BOMBAY CASTLE, 9*th January* 1872.

Letter from the Officer in charge of the Offices of Inspector-in-Chief, Cotton Department, and Cotton Commissioner, No. 245—320, dated 29th July 1871—Submitting the annual reports of the Cotton Frauds' and Cotton Commissioner's Departments for 1870-71.

Memorandum from the Acting Cotton Commissioner and Inspector-in-Chief, Cotton Department, No. 542—582, dated 21st November 1871—Forwarding copy of his report No. 494—543, of 31st October 1871, in continuation of the above communication from Mr. Merritt.

RESOLUTION.—The number of bales exported to foreign external ports during 1870-71 from Bombay amounted to 1,136,029, and from Kurrachee to 27,090. Those exported from Carwar during the latter half of the year amounted to 5,288, making an aggregate number of 1,168,407 bales exported from this Presidency. According to the returns furnished by the Customs Department, the number stated above for Bombay falls short of the actual quantity of cotton exported from this port by 5,092½ bales. The cause of this discrepancy ought to have been traced and stated in the report.

2. The number of cotton gins, which was 1,341 during the preceding season, has increased to 1,604, of which 15 at Yawul in Khandeish did not work. The increase consists

of 17 in Ahmedabad, 101 in Surat, and 155 in Broach, making a total of 273 gins, against a decrease of 10, owing to the stoppage of those that were at work in Khetwaddy, Bombay, during 1869-70.

3. Compared with the previous year the number of cotton presses worked by manual labour during 1870-71 has decreased from 306 to 284, and of those worked by steam-power from 169 to 155. In the number of presses of the former description there is a falling-off of 16 in Surat, 7 in Sholapore, 3 in Broach, and 1 in Khandeish, against an increase of 1 in Ahmedabad, and 4 in Kaira. In the case of the latter kind of presses there is a decrease of 19 in Bombay and 1 in Carwar, against an increase of 6 in Broach. The decrease of steam-power presses in Bombay is attributed to want of work, while the decrease in country-presses in Guzerat is partly accounted for by the removal of some of them into the territories of the Gaekwar and the Nabob of Sucheen.

4. Out of 33 cases prosecuted under the Cotton Frauds Act by the Cotton Department during 1870-71, 8 ended in acquittals of the accused parties, and convictions were procured in 13, of which 2 were reversed on appeal. Of the remainder, 6 cases were dismissed, and as many were pending the completion of the trial at the date of the report under consideration. Besides the above there were 11 cases prosecuted by the Preventive Inspector of Surat and Broach under Act VI. of 1863.

5. Inclusive of recoveries on account of former year's advances and payments of fresh advances during 1870-71, the total receipts for the year amounted to Rs. 3,18,226-5-5, and the total expenditure to Rs. 2,88,286-13-7, leaving a balance of Rs. 29,939-7-10. The amount of unrecovered advances outstanding on the 31st March 1871 was Rs. 82,879-6-0, and the balance of cash in hand on that date was Rs. 1,82,035-14-6. The Accountant General's attention should be drawn to the difference of Rs. 18,583-14-11 pointed out in paragraph 52 of Mr. Merritt's report, between the amounts of cash balance at the close of the year, as shown by the Cotton Department and that shown by the Accountant General.

6. Contrasted with the extent of land under cotton cultivation during the previous season, the area cultivated during the year under review has decreased by 228,549

acres. The decrease in produce is estimated at 16,318 candies of cotton.

7. The results of the experiments conducted under the supervision of the Superintendents of Cotton Experiments in different parts of the Presidency as detailed in these reports are generally satisfactory.

8. Suggestions such as the proposal for licensing ginning establishments, &c., requiring the orders of Government, should be made the subject of separate communications, that they may be finally disposed of after the questions involved therein are thoroughly discussed and considered.

E. W. RAVENSCROFT,
Acting Chief Secy. to Govt., Rev. Dept.

COTTON DEPARTMENT.

No. $\frac{245}{320}$ OF 1871.

From J. H. MERRITT, Esq., Officer in charge of the Offices of Inspector-in-Chief and Cotton Commissioner, to the Hon'ble F. S. CHAPMAN, Chief Secretary to Government, Bombay.

BOMBAY, 29*th July* 1871.

SIR,—I have the honour to submit the Annual Reports of the Cotton Frauds' and Cotton Commissioner's Departments, for the past year, together with the usual yearly Returns, Statements, and District Reports.

2. For convenience of reference all the Appendices have been lettered as follows:—

A. Observations on the Chamber's Memorial to Government.*
B. Return of Cotton Gins worked by Steam Power.
C. Return of Licensed Presses.
D. Return of Cases tried under Act IX. of 1834.
E. Return of Bales Exported.
F. Statement of Receipts and Disbursements.
G. Area of land under Cotton Cultivation.
H. Statement of Cotton Seed distributed.
I. } Reports of Presidency Cotton Inspec-
J. } tors.
K. Report of Cotton Inspector, Ahmedabad and Kaira, and Officiating Inspector for Surat and Broach.
L. Report of Cotton Inspector, Khandeish.
M. " " " Poona, Sattara, &c.
N. " " " Belgaum and Dharwar, &c.
O. " " " Canara and Rutnagherry.
P. " " " Sind.
Q. " Preventive Inspector, Surat and Broach.
R. " Preventive Hubshee's Territory.
S. " Superintendent of Experiments, Sind.

Introduction.

3. Before proceeding to offer any observations on the general administration of the past season, I would respectfully beg to point out that, from the suddenness and peculiarity of my position, I shall not be able to do more than make a résume of proceedings

* Only Appendix A. printed here.—Secretary, B. C. C.

gathered from the Reports and Returns supplied to the above Offices. Any expression of my own views, and such remarks as seem otherwise called for, I submit with the greatest deference.

4. I feel sure the Government will view with satisfaction the general results obtained during the past season, working as the Department has been, from first to last, with an almost helpless Act and against a persistent clamouring on the part of some, who would wish the removal of all remedy from the monster evils so dexterously and defiantly carried on in the cotton trade.

5. As to the Department of the Cotton Commissioner, I can offer nothing from a personal knowledge. Sufficient has been recorded of its success everywhere. It is only within the last four or five years that the services of special and skilled Superintendents have been engaged for carrying out cotton experiments. The reports of these scientifically trained officers will best speak for themselves and are full of interest and instruction. These will doubtless receive the attention and acknowledgment of Government.

6. With the above prefatory remarks I will proceed to the immediate duty before me, and in order to give a complete and at the same time a connecting idea of the various matters to be treated of in their order of discussion, the following index will, I trust, answer the purpose :—

Cotton Frauds' Department.

1. Introduction.
2. Frauds and Act IX. of 1863.
3. The Bombay Chamber's Memorial to Government for repeal of Act IX. of 1863.
4. Results of Cotton Fraud Trials.
5. Observations on above.
6. Nature and extent of Fraud.
7. Suggestions from Inspectors bearing on the Act, Gins, Licenses, Wukhars, &c.
8. Returns, Statements, &c.
9. Establishments.
10. Conclusion.

Cotton Commissioner's Department.

1. Introduction.
2. Experiments by the special Superintendents with remarks.
3. Aid to experiments by the Officers of the Cotton Frauds Department, their views and suggestions.
4. Returns, Statements, &c.
5. Conclusion.

Frauds and Act IX. of 1863.

7. The reports of the several Inspectors go to show that fraud still exists, more varied in form than ever, of greater subtlety and, if not on the increase, still carried on more openly than before. All complain more or less that while the utmost inspections on their part and on that of their subordinates almost daily open up to them fresh sources of the fraud deviser's art, requiring extended supervision, prevention cannot be enforced, our Act, or rather the rendering of its law, putting the chances of punishment out of question.

8. On the other hand, as will be seen, although convictions are certainly obtained here and there, amid numerous endeavours, yet judicial reasoning is not everywhere the same, and even convictions on appeal find an acquittal. This distracting effect however has in no way deterred the zeal and exertions of the Officers of the

Department, police functions have not been relaxed, and it is undoubtedly due (whatever some may say) to this vigilant and exhaustless supervision that Cotton Frauds are not the rule but the exception.

9. The duty of the Executive Officers, who work under Act IX., is to report proceedings and results. It is left to Government to determine if they have done their duty and how far the law or its administrators have helped them to obtain and maintain efficiency.

10. This much the Department may claim at the hands of the Government and the Cotton public it serves that, from the date of Act IX. of 1863 up to the present time, with an enactment which was conceived in the interests of thousands, spread over the whole face of the country, from where cotton is grown to where it is exported, from the humble ryot of the Mofussil to the merchant princes of Bombay, not one single instance of the abuse of power or corruption has been laid to its door. Struggling with a legislation rendered rather from its very insufficiency and incompleteness than from any stringency of its penal clauses, an instrument of irritation, the Department may well be proud of its administration and of whatever success it has achieved towards the prevention of cotton frauds.

11. The alarmists who, when special legislation was first contemplated, proclaimed a stoppage of the cotton trade, must now surely feel disarmed, and it would have been better for all if the Department had had more power and scope given to it. But they did no more then than those are doing now who would wish Act IX. abolished and with it any special law for cotton. Surely the records of late of our Criminal and Civil Courts stand up against them. The magnitude of the evil is shown incontrovertibly there, the felon's doom on the one hand and bankruptcy on the other—on redrafts, the results of temptation and "rubbish" are too glaring and momentous to the trade and interests at large for Government to abandon a legislation it was called upon to provide, and by doing which to relinquish for ever the only chance the Indian cotton grower has against the American planter. This would certainly save the merchant the 3 or 4 annas a bale, but as certainly lose to the Government of this country the trade of the chief staple of export, and the immense revenues derived from the cultivation of cotton, not to mention the interest of the ryots who would be driven to the verge of extremity.

12. It is at this moment a question of most serious consideration for the State and its greatly extended cotton cultivation in this country whether the trade shall be protected or left to itself. If the estimate of the probable reduction of the out-turn of this year's American crop, viz. 25 per cent, as given by the Cotton Exchange at New Orleans be trustworthy, there will be the greater demand for Indian cotton, the market will run high again and give room for introduction into the trade of greater and more extended frauds. "The exceptional time" of 1863 will come round once more, and the climax be again reached which gave conception to Act IX. of that year. If to be forewarned is to be forearmed, then this Act must be amended even by a few bye-laws. Its repeal is out of the question at this juncture. Further on it will be

seen from the several reports of the officers of this Department as to what is said about the present and future of cotton frauds.

13. Before leaving the subject of "Frauds and Act IX. of 1863" it will not, I trust, be considered out of place here if I refer shortly to the Memorial of the Chamber of Commerce to His Excellency the Governor of Bombay in Council, dated the 31st March last, praying for a repeal of the Act and stating that special legislation is neither necessary nor desirable. The Memorial applies itself to a condemnation of the Department as being a useless burden on the cotton trade, and denies to it any right of credit for whatever good has been effected. The matter will doubtless be considered at the next Annual General Meeting of the Chamber, and perhaps a reply be urged for and expected before then. I therefore do myself the honour most respectfully to submit a few observations (appended hereto and marked A). It is as well that the Memorial should be noticed here. Government has the advantage of the past season's administration before it in this Annual Report, while the Chamber will have the benefit of such resolution as Government may pass on it with reference to the charge made against the Department, on which grounds I have deemed it necessary to offer the observations I am submitting.

The Bombay Chambers' Memorial to Government for repeal of Act IX. of 1863.

14. Having so far offered a few general observations on frauds and their prevention under Act IX. of 1863, I will further refer briefly to the Reports of the Inspectors commencing with those from the Districts.

Results of trials.

15. Major Moore, in para. 20 of his Report, says—

"You will see from the return of cases brought to trial that the law is not so inefficacious as has been imagined, the confiscation of 18 bales and a fine of Rs. 500 is a pretty strong proof to the contrary, especially when the finding and sentence of the Magistrate was upheld on appeal. It appears to me, after a long acquaintance with it, that this law or Act, like many others, depends for its efficiency at least to a considerable extent on the administrators of it, and the manner in which they construe its provisions."

Guzerat.

16. In contrast with the above, Mr. Manley gives a vivid account of failure in a case sent up by him before the Mamlutdar of Indapoor, which proved most fully the difficulty of obtaining a conviction under the Cotton Frauds' Act, even in a case of palpable fraud. The extracts, paras. 6, 7 and 8 from Mr. Manley's Report, are as follows:

Sattara, Ahmednuggur, Poona, and Sholapore.

"With reference to the trial at Indapoor mentioned in para. 2, I beg to state that the accused, Nos. 1 and 2, quoted in the margin, were charged by me before Mr. Bumjee Balajee, B. A., the Mamlutdar of Indapoor, under Sec. II. of the Cotton Frauds Act with 'adulterating and deteriorating cotton by mixing therewith seed,' and Nos. 1, 2 and 3 under Sec. III. with 'fraudulently and dishonestly offering the same for sale.' Four witnesses were examined

1. Balloo Moolchund.
2. Bamjee Baraskhar.
3. Pandoo Gowtan.

for the prosecution, and sixteen for the defence, the accused were each defended by three Vakeels, and the trial lasted four long days. The chief evidence for the prosecution was the cotton itself: it was urged by the defence that although it was undoubtedly seedy (so much so indeed, that large quantities fell to the ground when the cotton was shaken, showing that it was *added after* the cotton had been cleaned) it became so from being cleaned in an open yard, whilst a storm of wind and rain prevailed, and that in the hurry of collecting it, the seed and the "rue" became "mixed," by being blown together. Evidence of a certain kind was produced, showing that a storm did occur at Indapoor at the time mentioned, and the Magistrate, in spite of the improbability that cotton sufficient to fill fifty-seven docras could become deteriorated by a single storm lasting ten minutes, gave the accused the benefit of a doubt, which no one in his Court except himself entertained, but which he conceived the letter of the Act justified."

Being charged under Sec. III. the prosecution proved that the accused had offered such cotton for sale to a respectable merchant by name Khetabhai knowing it to be 'adulterated and deteriorated;' the defence by suborned evidence tried to prove that they had refused to sell it to several purchasers of cotton (their own relations) until it had been re-cleaned, although some six months had elapsed since it was first packed for sale; accounting for this negligence by representing that the market was too low to make it worth their while to prepare it for sale; and it was further urged that although upon one occasion it had been offered for sale to fulfil an agreement for delivery, it was done so openly, and not 'fraudulently or dishonestly;' the Magistrate took this view of the case, and acquitted the accused on the second charge."

'It would seem, therefore, that to ensure a conviction under the present Act a man must be taken in '*flagrante delicto*,' and the words fraudulently and dishonestly expunged from Sec. III. of the Act, but seeing how rapidly evidence deteriorates in this country, it is to be regretted that, owing to the absence of the Magistrate, twelve days should have elapsed between the seizure and the trial, giving the accused ample time to concoct their defence, assisted by cunning Vakeels who had a large interest in their acquittal. Not having the slightest doubt myself as to the guilt of the accused, it is satisfactory to know that, by bribes, suborning evidence, and fees to Vakeels, the accused expended large sums in their defence—one, I was informed, as much as four hundred rupees, which amount I told him he might regard as a fine."

Khandeish and Nassick.

17. Mr. Wilkinson gives only the number of convictions obtained, viz. four, and it does not appear whether these went on to appeal.

Canara and Rutnagherry.

18. Mr. Stranack goes from failure to extreme hopelessness. He says in para 6. of his Report "there was but one case of cotton fraud sent up for trial, for the period under report, and that

met the same fate as the other 18 cases disposed of previously, viz. dismissal."

Belgaum, Dharwar, and Kalladghee.

19. Mr. Blackwell gives both where cases have obtained convictions and where they have failed to obtain them. There were in all 15 cases sent up for trial; of these 8 failed, and convictions obtained on 4 were, on appeal, reversed; 3 are pending trial. I annex below para. 10 of Mr. Blackwell's report:—

"My aim always has been to prosecute only such cases in which there was apparently actual intention of fraud, and all these cases prosecuted by myself were the strongest that could be possibly brought up under any section or clause of the Act; still the four cases in which convictions were obtained were upset on appeal."

Sind.

20. Mr. Pearson states in a very brief report "that there is no conviction under the Act to record." Mr. Pearson does not dwell on the question of fraud at all.

Surat and Broach.

21. Mr. Winckler, of the Preventive Branch, reports 13 cases sent up for trial; of these one was acquitted on appeal, and 2 were pending enquiry.

Hubshee's Territory.

22. Mr. Boorhanoodeen, also of the Preventive Branch, has reported no cases, no seizures having been made by him.

Bombay.

23. The Presidency Inspectors have no cases to report as having been sent up for trial, but the following occurs in my own report, para 24:

"I have no convictions to record, not because I consider all the cotton which came under observation was free from adulteration, but simply because successful prosecution under the Act is attended with very great difficulties, if not impossible."

Observations on the above.

24. Although the cases submitted for trial are undoubtedly small in number, it is clear that the law by which it is sought to prevent fraud, and to punish it when it is detected, does not help the officers of the Cotton Frauds Department. Independent of the weakness of Act IX. of 1863, it was from the first ruled that, in the exercise of police functions under its penal clauses, great discretion and gentle pressure were to be used. So long therefore as the law of Act IX. was not tested, the moral effect did good. As soon however as it was put to the test and it became known that the administration of the law could find nothing in it to convict upon, the value of this special legislation wore off, and now it is openly disregarded and looked upon almost as a dead letter. The success of any isolated cases here and there, even up to an appeal, is neutralised by the general failure which meets the officers everywhere. Indeed, if the officers of the Cotton Frauds Department proceed to take up cases more vigorously than they do, where daily before their own eyes palpable fraud is being committed, they would subject the trade to useless vexation and themselves to ridicule and censure.

25. As regards the Preventive Branch of the Department, it has

been ruled that the officers and crews of the boats who wear police belts, have no jurisdiction whatever under Act IX. of 1863. Fortunately the Customs Act or Act VI. of 1863, has great scope and takes cognizance of our seizures, inflicting heavy punishment by fines and confiscations. The credit therefore of successful prosecution is in no way due to Act IX. of 1863. Its officers however go to enrich the Customs Department inasmuch as that sums realised by fines and confiscations are not credited to the Cotton Frauds Fund! If by a bye-law or special legislation the Preventive Branch created under Act IX. of 1863, could have the same powers given to it as those held by the Customs Preventive Service, but only so far as relates to cotton smuggling and robbery and from which source so much fraud is practised on the trade, it would effectively meet the requirements of this branch of our service.

Nature and extent of fraud.

26. The observations of some of the Inspectors in connection with cotton frauds and the result of cases sent up for trial as to the nature and extent of fraud demand attention in this Report.

27. Guzerat seems fertile in fraud resources, as will be seen from the following extracts from paras. 14, 15 and 17 of the report of Major Moore:—

"In some cases they found cotton spread out for adulteration, and the ground beneath almost mud from the quantity of water thrown on it thus to increase the weight of the cotton by moisture, some cotton was so moist that water could almost be pressed from it, and in one or two yards they found cotton mixed with sand, and the sand of the same description lying in heaps in the press yards ready, it is to be presumed, for use. All this shows to what an extent adulteration can spring up and be systematized. In the Khaira districts adulteration has grown and progressed with the growing trade and under the very shadow of the Act, simply because there were no Inspectors posted there permanently to keep it in check. Four years ago the export trade was in its infancy, and adulteration then was unknown as a fraudulent means of profit: now it seems to be the rule."

"Cotton in a very adulterated state is now sometimes brought from the Baroda territory to Broach for sale, and it is reported to me that large quantities of the same description from the same territory are forwarded to Bombay by rail, and there sold as Broach cotton, hence bringing our good Broach into disrepute; power to enable us to examine cotton at the Railway compounds would check this traffic to a great extent and improve the condition of the cotton so forwarded."

28. To the above I beg to subjoin extracts from paras. 7 and 10 of the report of Mr. Winckler, of the Preventive Branch:—

"Mostly all of the buttellahs which start from the ports on the western shore of the Gulf of Cambay are owned and manned by people living in the villages between Domus and Bulsar, consequently not a single vessel that leaves those ports hardly

ever goes to Bombay without touching at the native villages of the men, where and when smuggling is carried on."

"Statement No. 2 shows the number of buttellahs inspected during the season, the places where they were inspected, the number of bales they contained, and the places from which they started, they being all bound to Bombay. This statement clearly shows which is the most important place of all to be guarded, viz., Nowsarry, since no less than 150 buttellahs bound from Dhollera to Bombay put in at this place on pretexts of having run short of provisions or water; but virtually for the purpose of smuggling, for in coming to Nowsarry and the other creeks along this coast, they go very much out of their course, thus causing a delay of delivery in Bombay. I have known instances where buttellahs have remained at these creeks as long as a whole week at a stretch—all that time was not necessary for provisioning or filling their tanks up with water."

"From the villages along the coast here boats put out with toddy and barter the same for cotton from the buttellahs as they pass along, and from the villages of Bhimpore and Dantee boats of a large description go far out to sea and purchase the cotton from buttellahs sailing along, and bring the same to their villages under cover of night, and if they once touch the shore here, they are safe from apprehension."

29. Mr. Wilkinson in para. 9 reports from Khandeish as follows:—

"With regard to adulteration, false packing seems to be the most common form which this takes now-a-days. In the cases which have come to my notice, widely different qualities of this season's growth were packed together. The cotton stained and rotted by the rain of January formed a convenient material to adulterate with, and I have noticed it in a few instances turned out from docras at the presses, but the press owners were unable to give me any clue sufficient to enable me to trace the matter back. As the docras do not bear the mark of the seller, it is rarely the case that the native merchants can furnish information concerning adulterated cotton which may come into their hands, beyond the name of the talooka it came from, and they are not always certain about this. I have not chanced upon any instances of adulteration, such as the law would have taken cognizance of." Then further on he says,—

"On the whole adulteration in Khandeish seems not to be prevalent. This is the opinion entertained by the native merchants, and the cause is ascribed by them to the existence of Government supervision and not to the absence of inducement."

30. As of course much depends on those who have the administration of the law of Act IX. of 1863, it is quite possible that the traders of that province have learned to understand their own interests better than risk defiance to its penal clauses. The Act was nowhere better received on its introduction than in Khandeish. There is one observation in Mr. Wilkinson's report to which it is

right to draw particular attention. He says—"Cotton as prepared for the market by the actual cultivator is always the finest." This shows that fraud commences when it leaves the ryot's hands, and this fact is an argument on strong grounds how necessary it is to protect the interests of the Indian cotton grower when his produce gets away from him into the meshes of commerical arrangements.

31. Mr. Stranack deplores the deterioration and adulteration of cotton. The following are extracts from his report, and though shortly noticed, are most important strictures :—

"When making my visits to this port during the past year, I had good opportunities of inspecting the cotton brought to the Presses for compression, and I regret having to report most unfavourably of the general quality, and impure state of both kinds; this year's cotton being even worse than the crop of 1869-70. Cotton frauds are greatly on the increase, as the native dealers know full well that their dishonest practices cannot be proved against them.

"The system of false-marking (such as mixing old and new cotton in the same bales, both of inferior quality and marking them N. S. D. F. signifying "New Sawginned Dharwar Fine") is much to be censured. I have done all in my power to stop this dishonest practice, but the natives will carry it on in spite of all remonstrances."

"The disgracefully dirty state in which cotton is now prepared for the Home markets is most reprehensible; in some instances I have found as much as 14 to 20 lbs. of seed in a lump in one docra of cleaned cotton, besides being otherwise deteriorated."

32. Mr. E. Pearson is alone silent on the subject.

33. Mr. F. Turner concludes his report thus :—

"The false marking of bales, as regards their contents, still largely continues among natives, old and damaged cotton being marked as New Oomrawuttee."

"In conclusion I beg to state that I consider greater quantities of what are called droppings, and greasy cotton, also mixtures of cotton, have been shipped this season than any other during the time of my having held office in the Department. This I account for from the reason that the merchants know now that under the present Act one cannot stop the same."

34. In my own more immediate report the following occurs :—

"During the past year 875 bales were pressed as 'pickings,' and 310 as 'damaged cotton,' being one-third of the number compressed during the preceding year. The decrease in the compression of 'damaged cotton and rubbish' is attributable beyond a doubt to the convictions in the 'Aurora Frauds' last year. So long as there was no demand for it there was no supply. The object of dealing in such stuff is for the purposes of fraud, as if it were otherwise, the 'rubbish' would still have been pressed for foreign export, which has not been the case to so great an extent as far as the presses in my division are concerned. Again, the price paid for the worst description

of 'droppings' in Bombay, added to its freight for transmission to England, far exceeds the value such stuff would realize in the English markets; its compression, I would respectfully submit, should be prevented if possible, though the Act does not forbid it.

"I see in the 'Cotton Supply Reporter' of the 1st February last, a memorandum issued by the Bombay Chamber of Commerce, dated November 1870, para. 7, which runs as follows:

"It is further said that the present Cotton Department has totally failed to protect the Bombay community from the gigantic fraud lately perpetrated, and that although there are several highly-paid Inspectors in the town and island, no warning of what was going on reached the mercantile community from the Cotton Department.

"As regards the first complaint I cannot do better than quote an extract from my Annual Report for 1867-68, wherein I distinctly stated that the information regarding the condition of cotton pressed, and communicated to the Chamber of Commerce (placing the merchants on their guard) was never circulated. It is subjoined:

"Merchants may be very well able by ordinary means to protect themselves from fraud, but the value which they seem to set upon such information or assistance as we can supply, affords a proof that the ordinary means used are not quite sufficient to protect them from risk. Several extracts from the Press Books were also supplied to the Chamber of Commerce, but as the information they contain does not, when sent to that institution, become known, I would suggest the advisability of also sending them to the newspapers for publication.

"I would just add that no mercantile frauds could or would occur if instead of denying to the officers of this Department the powers of affixing the necessary stamps, the merchants would secure to them these and other special powers (as is now done under the orders of the Chamber for the measurement of cotton) for every one buying or advancing on cotton could rely safely on the warning conveyed by the stamp, which could always be demanded in a certificate from the Inspector of the Press.

Suggestions from District Officers.

35. Major Moore makes some pertinent suggestions as to licence and gins and also with regard to the amending by alteration of the present Act, and by a few bye-laws. These are almost too lengthy to be embodied here, but they are contained in paras 19, 20 and 21 of his report.

36. I fully concur in the observations recorded by Major Moore with reference to the granting of licences from my experience in the Surat and Broach districts, and I respectfully recommend them to the consideration of Government.

Khandeish and Nasick.

37. Mr. Wilkinson reverts to the recommendation made in his last report as to the licence-system being extended to Wukhars or ginning yards. This will be found discussed under paragraph 8 of his report.

38. Mr. Stranack seeks attention to the Saw-gins of Dharwar and also towards amendment of the present Act. These matters are contained in paragraph 5 and the latter part of para. 11 of his report.

Canara and Ratnaghorry.

39. Mr. Blackwell's only suggestion is that after six years' experience, special legislation is not required for cotton, but in its stead "juvenile education to induce competition of intellect." This proposition will doubtless receive the consideration to which it is entitled.

Belgaum, Dharwar and Kulladghee.

40. Mr. Turner would stop night pressing of cotton both as evading inspection and unsafe.

41. In my own report occur two suggestions which I would here respectfully draw attention to, viz. as explained in the last part of paras. 20 and 21. Both these subjects, as far as the usefulness of the Department and suppression of fraud are concerned, are of the utmost importance, keeping in view the probability of our cotton market having to meet this coming season the pressure of an extra demand.

42. The returns and statements for the past year which accompany this report are 5 in number, viz., "cotton gins worked by steam power," "cotton presses licensed and worked," "cases tried under Act IX. of 1863," "number of bales exported," and lastly, a "statement showing the total yearly receipts, disbursements, advances, recoveries and outstandings from 1st January 1864 to 31st March 1871, inclusive, on account of the Cotton Improvement Fund. Such returns and statements as relate to cotton cultivation, &c., will be discussed under the Cotton Commissioner's Administration Report. I regret my inability to furnish a statement of the raw cotton imported into Bombay during the past year, as the G. I. P. Railway Company are unable to supply me with complete information for the month of June last in time for this Report. The Customs Department and B. B. and C. I. Railway Company have submitted the returns required of them. Information on this head from 1st July 1870 to 31st March 1871 has already been forwarded to Government and published in the *Government Gazette* of the 8th June last. The information now wanting will be submitted on receipt of the returns from the G. I. P. Railway Company.

Returns and Statements.

43. This Return, Appendix B, shows an increase, all in Guzerat, as follows:—Ahmedabad 17, Surat 101, and Broach 155. Total of last season was 1,341, this year it is 1,604. The increase of gins in Guzerat is remarkable. The number of gins existing in 1866-67 (vide annual report) was 297, whereas, as will be seen in the accompanying return, it has risen to 1,199, or 4 times as much in 5 years. During the same period Ahmedabad has doubled itself, and Khandeish also has had 3 times as many gins introduced. All this shows a steady inclination to supersede the native churka.

Cotton Gins.

44. This return, Appendix C, shows a decrease in presses worked both by manual labour and steam power, there being 22 of the former and 14

Cotton Presses.

of the latter. In Bombay steam power presses were less by 19, and in Canara by 1, while Broach had an increase of 6. In country-presses Surat shows a falling-off of 16, Sholapore of 7, Broach of 3, and Khandeish of 1, while Ahmedabad shows an increase of 1 and Kaira of 4 presses.

45. The decrease of steam power presses in Bombay has taken place in Colaba. From enquiry made by me the reason I learn from the Secretaries of the Colaba Press Company, Limited, is "to be found in the fact that there has not been sufficient business doing to necessitate their being put in operation."

46. The decrease in Guzerat in country-presses is attributed by Major Moore to some of them having been removed into the Gaekwar's and Sacheen Nawab's territory, while others have not been used for the season. The reason of the decrease is probably due, he says, to the following causes. I quote from his Memo. No. 138 of the 12th instant in reply to mine calling for this information:—

"To merchants purchasing cotton in foreign territory and transferring their presses thither to press such cotton, this class of press being easily removed."

"To the fact that poor Bunyas and men of small capital often start a press as a speculation, being promised support by some cotton-dealing friends, who may sometimes change their quarters."

"To the fact that there are often more presses than work for them, and lastly not improbably to the freedom for inspection and consequent facility for fraud, which is enjoyed in foreign territory."

47. The entire disuse of the native presses in Sholapore is ascribed by Mr. Manley to "the caprice of native dealers and the presence of full presses at Sholapore and Barsee," and he regards them, he says, "as being chiefly useful in leading up the natives to the adoption of full pressing."

Cases tried under Act IX. of 1863.

48. No statement submitted under the Annual Report of the Cotton Frauds Department presents so much interest as that of "Cases tried during the year," Appendix D. We have eleven more this year than last. I have so fully gone into the details with extracts from the District Inspectors' Reports under the heading of "Results of trials" that it is unnecessary to say more here. The N. B. at foot of the return gives the number of cases prosecuted by the preventive Inspector of Surat and Broach under the Customs Act. Towards this subject I have drawn attention in para 21.

Bales Exported.

49. This return, Appendix E., has been compiled from the statements published in the *Government Gazette*. I was also furnished from the Customs Department with the usual half-yearly statements, which show the aggregate number of bales exported from Bombay to be 1,141,121½. Between this and the published statements there is a discrepancy of 5,092½ bales less shown in the latter. I regret I am unable to obtain detailed information for the port of Carwar similar to what has been given for Bombay and Kurrachee. The total of bales given for that port is only

for the half-year ending 30th June last, no cotton having been shipped during the previous half-year. I purposed to have added to this report another statement exhibiting the quantity of cotton shipped from Bombay, Kurrachee and Carwar to the *various* foreign ports throughout the past year, but pressure of more immediate matter has precluded my personal attention to the preparation of this return. I hope to submit it separately.

Statement of Receipts, Disbursements, &c.

50. It will be seen from Appendix F that the total receipts, inclusive of recoveries on account of former year's advances from 1st January 1870 to 31st March 1871, amounted to Rs. 3,18,226-5-5, and the total expenditure, inclusive of advances, amounted to Rs. 2,88,286-13-7, leaving a balance of Rs. 29,939-7-10. Inclusive of balances to be recovered and balances of former years, there was a cash balance on the 31st March last of Rs. 2,64,915-4-6. The amount of unrecovered advances was Rs. 82,879-6-0, so that the net cash balance on that date was Rs. 1,82,035-14-6.

51. In consequence of the non-receipt of the necessary returns from the Treasury Officers, the usual detailed statement of receipts and disbursements does not accompany, but on their receipt the return will be compiled and submitted to Government without any delay.

52. I would observe that there is a difference of Rs. 18,583-14-11 in excess to the credit of the Fund in the books of the Accountant General's Office, as the Officiating Deputy Accountant General reports the cash balance on the 31st March 1871 to be Rs. 2,00,619-13-5. Where the error lies is not traceable in this Office, and I would respectfully solicit that the statement be referred to the Accountant General for adjustment.

Establishment.

53. Under this heading I do not consider it necessary for me to offer any remarks as Government have already before them a statement bearing on the reorganization of the Department. I am prepared however to make a few suggestions should His Excellency the Governor desire me to do so. There are some points in the statement which require consideration ere the new arrangements are finally sanctioned. The requirements of the several District Officers are detailed in their own reports, and will no doubt receive the attention they require.

Conclusion.

54. In bringing this Report of the Cotton Frauds' Department for the past year to a close, I have endeavoured to rendered it as complete as possible. The scope of an Administration Report of so large a Department has a wide range and is capable of exhaustless interest and instruction; but however much I might have wished to avail myself of the opportunity, I did not feel I would be justified in attempting to traverse too much ground or to advance views and opinions such as the Head of the Department in the exercise of his authority and position is not only empowered to do but invited to deal with. If, therefore, my efforts have not realised what under the circumstances I trust they have, I claim the indulgence of Government for a liberal consideration of any seeming failure. To

the preparation of the returns and statements I have devoted personal care and much time and labour. From all the officers of the Department I have received courteous and ready response with one single exception, and that is Mr. S. J. Harrison, who has not only not sent in his Annual Report up to this time, but has treated every reference and reminder sent to him with persistent and annoying silence.

COTTON COMMISSIONER'S DEPARTMENT.

Introduction.

55. I have in the former portion of this report, para. 4, stated that as far as the administration of the Commissioner's Department is concerned, I am unable to speak from any personal knowledge of its working or results. Such information as is conveyed in the Annual Reports and Returns which have reached the office I proceed to discuss under the headings given in the index.

Experiments by the Special Superintendents.

56. The first report to hand is that from Mr. Strachan in Sind, and I feel sure His Excellency the Governor in Council will receive with marked approval this thoroughly interesting and instructive report of the past season's efforts in the Province of Sind. The detailed information is ably condensed, and the three statements accompanying the report give every item of expenditure and result enhancing its value. I should be doing an injustice if I were to make any extracts from Mr. Strachan's review of his proceedings for the past year, so will only add a few remarks by way of introduction towards its perusal and consideration.

Sind.

57. First of all Mr. Strachan gives a list of every variety of seed experimented with, and these are as many as 10 distinct species. Then to each is devoted a para. full of all that could be said in a few practical observations. In para. 16 he gives his opinion as to what varieties of cotton tried are at all likely to answer in Sind. These are besides the Sind native, Broach native, and American, the latter very promising this year. Paras 12, 13 and 14 refer to the mode of experiments, and it is gratifying to find that the arrangements have met with such favour with the Sindees. In para. 17 he solicits a description detailing minutely the process of culture by the Egyptians as practised by them in Egypt. Government has already decided upon obtaining this through the Secretary of State. Paras. 18, 19 and 20 are devoted to early sowing, English agricultural implements, &c. Paras. 21 and 24 are devoted to grain crops, tobacco, Divi-divi and silk cotton. Thus Mr. Strachan is engaged in duties other than cotton, yet within the province of his knowlege and skill. An officer so successful in his efforts could scarcely but obtain what he acknowledges to have received, viz. "every possible assistance from every official I have had occasion to apply to."

Surat and Broach.

58. Mr. Stormont's Report has reached so late that I am unable to do more than just allude to its contents. It will be forwarded separately. The report of proceedings and results is exhaustive and

given with the detail and accuracy which is expected from an officer selected for such special duty. Efforts towards exotic cultivation and experiment had been reduced to a minimum, and then only for purposes of crossing varieties and keeping up a small supply of acclimatised seed towards this end. The result from indigenous selected seed crops appears to have answered well, and there was on hand for this season's sowing some very superior seed, the results from which give promise of great value as to leading the cultivators to follow example in keeping up the pedigree system. Indeed the advantage of doing so has already borne fruit. "*The ryots in the locality of the experiments both at Surat and Broach have bought up every pound of our spare seed for showing, in preference to that grown in their own fields.*"* This shows marked success with the Indian cotton grower. Such a lesson, if it only spreads generally among the masses which it must, will, with the appliances of manure and high method of cultivation in a very few years, raise the quality of the Indian staple to a standard long and anxiously looked for. The Report deals with other subjects of a varied nature, such as tobacco, Peruvian silk plant, Asclepias, Divi-divi, manures, pests and disease, waste-land, and, lastly, meteorology. Each and all are discussed in a masterly manner, affording instruction, and the report repays perusal.

59. Mr. Milne's report has also reached too late to be embodied in this Annual Report. This officer's transfer from Guzerat was after the sowing season, and consequently he records no experiments conducted by him in his new field of labour. He therefore travelled about the districts and has reported on what he saw. Here again the selected indigenous crops are spoken of as a great success. Mr. Milne had examined several sites of waste-land or Grass Kooruns, sometimes in company with the Cotton Commissioner and at others by himself, and he gives his views and opinions thereon, as to the advantages of a fixed Experimental Farm in preference to renting land in fresh localities every following season. It might perhaps be better if Mr. Milne were associated with the Khandeish Farm now in existence, unless it be decided to experiment in two localities. Mr. Milne also discusses the implements for agricultural purposes, gins, exotic cotton, boll worm, &c. As a general record of personal observation, Mr. Milne appears to have devoted attention to all matters coming within his duties with much interest and discernment.

Khandeish.

60. I have no report from Mr. Shearer and can therefore say nothing as to the result of any experiments in the district where he is Special Superintendent. It shall be submitted separately when to hand. There appears to have been some misapprehension on the part of the Special Superintendents with the exception of Mr. Strachan, as to the exact date upon which they were to submit their Reports.

Dharwar.

61. As some of the District Inspectors have interested them-

* The italics are mine.

selves in the Cotton Experiments carried on by the Special Superintendents and otherwise dwelt upon matters connected with the Cotton Commissioner's Department, I beg to offer a few observations thereon.

Aid to experiments by the officers of the Cotton Frauds' Department, their views and suggestions.

62. Major Moore opens his report with remarks on "Experimental farming" and devotes from para. 2 to para. 11 to the subject. He shows that for the purposes of farming in Surat and Broach, there is no waste-land, and the difficulty of working on hired land through and depending on the ryot is a useless effort. He suggests in paras. 8 and 11 that the experiments be conducted at Sanund, and the Superintendent, Mr. Stormont, be transferred thither, the Railway being open to that place and good waste-land being procurable there to any extent. By a glance at Mr. Stormont's own Report it is plain that he despairs of exotics succeeding where he now is and has been experimenting upwards of three years. Major Moore has further remarked on the area of land under cotton cultivation and framed an approximate average of yield in the four districts under his charge, which I shall notice under the proper heading.

63. Mr. Wilkinson devotes much of his report to cotton experiments and cultivation, area, season, rainfall, &c. These will be found minutely discussed in paras. 13 and 14 with reference to experiments, and in paras. 3 to 7 to the other subjects. In paras. 11 and 12 Mr. Wilkinson refers to the inclination of the ryots to revert to the old Khandeish variety of cotton, notably so in the north-western talookas. The reason or motive for this is given fully in para. 12, but the concluding portion seems scarcely to justify any fear of the new variety being abandoned. The reappearance of the old Khandeish staple can only be for the purposes of adulteration. As fraud is winked at so openly by the trade, a dealer would certainly find it pay him if he could pass off 25 per cent. of the old with the new. Mr. Wilkinson observes on this subject, "I feel sure that the old kind never had been entirely eradicated in this part of the districts." There never were any complaints at the time to my knowledge as to mixed cotton coming forward from Khandeish. The probability is, that in the endeavours to do away with the old seed, some portion of what was left with the ryots for cattle-feeding and the Bunyas for export was made use of a year or two afterwards when failing seasons lessened the chances of the new kind. It is also well known that the old cotton from the north-west talookas of Khandeish used to go across country to Surat and Broach for mixing purposes. Perhaps this practice is being adopted again.

64. None of the other District Inspectors have touched upon experiments, having in no way connected themselves with them.

65. The subject of the marginal note to this para. is one of very great importance both to the Government and the mercantile community. Appendix G, is prepared from returns supplied by the Collectors and Political Officers in Native States. All depends on its completeness and accuracy. It represents the

Comparative statement of area of land under cotton cultivation and estimated produce.

extent of land under cotton cultivation in the Bombay Presidency for the past year, and affords at the same time a basis on which the produce of the crop is estimated as compared with the previous season, giving also the increase and decrease of land devoted to cotton, and further showing how much is occupied by indigenous and how much by exotic staple. The various matters therefore of which it treats are of the utmost interest, and in analysing the figures as therein furnished much curious and startling results are obtained.

66. It will be observed that the decrease in the extent of land cultivated under cotton preponderated the past year, which was the reverse of its predecessor. The sum total in favour of the former being 228,549 acres, and that of the produce being 16,318 candies. The increase in indigenous cotton occurred in the following districts of this Presidency and to the extent noted below :—

	Acres.		Acres.
Ahmedabad	100,006	Thur and Parkur	491
Kaira	2,937	Baroda	2,566
Surat	16,8:9	Kattyw r	140,593
Ahmednuggur	5,972	Rewa-Kanta	399
Hydrabad (Sind)	5,561		

The increase in exotic cotton is reported as follows :—

	Acres.		Acres.
Khandeish	70,222	Belgaum	5,562
Sholapore	41	Mahi-Kanta	10
Baroda	4,060	Kaira	14
Sattara	120		

67. The decrease in indigenous cotton will be noticed as having taken place in the districts below mentioned :—

	Acres.		Acres.
Broach	7,812	Poona	14,467
Sattara	29,638	Sholapore	35,9 6
Dharwar	26,812	Belgaum	40,504
Kulladghee	193,033	Kurrachee	2,890
Shikarpore	853	Shah-Bunder	95
Frontier Upper Sind	398	Cutch	26,666
Mahi-Kanta	766	Pahlunpore	23,007
Akulkote	7,389	Kolhapore	58,601

The decrease in exotic cotton will be seen in the following districts :—

	Acres.		Acres.
Ahmedabad	66	Surat	181
Broach	216	Ahmedabad	5
Poona	198	Dharwar	89,801
Kulladghee	13,668	Hydrabad (Sind)	8
Kurrachee	3	Kattywar	3,717
Akulkote	112	Southern Mahratta Country	7,105

68. The aggregate increase and decrease of indigenous and exotic cotton as well as of produce are as follows :—

Increase of indigenous is	275,358
Do. do. exotic	80,032
Total increase ..	355,390

Decrease of indigenous is	468,853
Do. do. exotic	115,086
Total decrease ...	583,939
Deduct increase...	355,390
Leaving an actual decrease of...	228,549

	Candies.
Increase of produce of indigenous cotton	14,447
Do. do. exotic	12,117
Total increase ...	26,564
Decrease of produce of indigenous cotton	42,673
Do. do. exotic	209
Total decrease ...	42,882
Deduct increase...	26,564
Leaving an actual decrease in produce of...	16,318

69. Hitherto the general statement has been submitted alone, and it deals with districts or provinces under four headings, Northern and Southern Divisions, Sind and Native States. It gives a comparison of the past and previous years' results, but it does not give us except by being worked out a comparative and gradation statement of each locality, nor again is there any comparative average of yield per acre of the 26 localities producing cotton amounting to 194,342,624 lbs.

70. In order therefore to lend further interest to the study of the whole subject, I have drawn up the following supplemental exposition, from which at a glance will be seen where the largest extent of cultivation obtains, where the greatest amount of produce is got, and what district gives the highest average yield per acre. It bears on the face of it a telling comparison up and down the columns of the capacity of each locality.

Gradation Statement of Cotton area, produce, and average yield per acre in lbs. as calculated from Appendix G.

Cotton area in acres.			Cotton area in acres.		
No.	Locality.	Acres.	No.	Locality.	Acres.
1	Kattywar	1,175,705	14	Hydrabad (Sind)	37,780
2	Khandeish	611,031	15	Ahmednugger	32,205
3	Dharwar, &c.	530,600	16	Poona	27,072
4	Kulladghee	391,121	17	Kaira	15,596
5	Ahmedabad	323,328	18	Shikarpore	15,415
6	Broach	215,830	19	Pahlunpore	13,850
7	Southern Mahratta Country	199,952	20	Akulkote	9,607
8	Cutch	186,666	21	Rewa-Kanta	7,644
9	Belgaum	178,317	22	Mahi-Kanta	2,816
10	Baroda	112,633	23	Thurr and Parkur	2,022
11	Sholapore	84,813	24	Upper Sind	1,780
12	Surat	72,993	25	Kurrachee	1,379
13	Sattara	50,217	26	Shah-Bunder	95

Produce in Candies, of 784 lbs.			Produce in Candies, of 784 lbs.		
No.	Locality.	Candies.	No.	Locality.	Candies.
1	Khandeish	64,439	14	Belgaum	2,626
2	Kattywar	53,524	15	Kaira	1,433
3	Baroda	20,235	16	Sattara	1,392
4	Southern Mahratta Country	17,735	17	Shikarpore	1,137
5	Dharwar, &c.	16,359	18	Rewa-Kanta	1,060
6	Broach	13,962	19	Poona	1,052
7	Ahmedabad	12,848	20	Ahmednugger	946
8	Hydrabad (Sind)	8,592	21	Mahi-Kanta	927
9	Surat	7,902	22	Thurr and Parkur	558
10	Kulladghee	7,589	23	Kurrachee	93
11	Cutch	7,285	24	Upper Sind	59
12	Sholapore	3,149	25	Shah-Bunder	10
13	Pahlunpore	2,964	26	Akulkote	10

Average yield per acre in lbs.			Average yield per acre in lbs.		
No	Locality.	lbs.	No.	Locality.	lbs.
1	Mahi-Kanta	258	14	Broach	50½
2	Thurr and Parkur	216¼	15	Kattywar	35½
3	Hydrabad	178¼	16	Ahmedabad	31
4	Pahlunpore	167¼	17	Cutch	3 ½
5	Baroda	140¾	18	Poona	30¼
6	Rewa-Kanta	108¼	19	Sholapore	30
7	Surat	85	20	Upper Sind	29¼
8	Shah-Bunder	82½	21	Dharwar	24
9	Khandeish	82½	22	Ahmednuggur	23
10	Kaira	72	23	Sattara	21½
11	Southern Mahratta Country	69½	24	Kulladghee	15
12	Shikarpore	58	25	Belgaum	11½
13	Kurrachee	52¾	26	Akulkote	¾

N. B.—The average yield per acre of the whole Presidency as represented in Appendix G. is 73 lbs.

71. To the above I regret the absence of one column, and that not of the least importance, viz. showing a comparative classification of quality. If this could be added and year by year a gradation statement kept up such as I now have the honour of submitting, I feel sure that the Government and the mercantile public would benefit by it, and as a record of ready and complete reference it would be invaluable.

72. It would not be out of place perhaps if I were to sketch out how such a classification could be secured. My idea is to make it competitive by prizes from the Cotton Fund, and that Government should notify its desire to have every season samples of a sufficient given quantity of exotic and indigenous cotton, ginned and churkaed of the best and worst descriptions procured and sent up to Bombay. The Chamber should be asked to appoint a competent committee to classify and give their opinion of the samples submitted to them by which the prizes should be guided and awarded, to reach the grower if possible. The amounts of the prizes should be liberal, there ought to be one for each province or district. The Chamber should, in the first instance, be asked to

say what quantity would fairly be required of each kind for a *bonâ fide* sample. Thus we should start a thorough interest and induce competition towards improvement. The merchant would know where to go for his best and largest supplies.

Distribution of Seed.

73. This statement, Appendix H., shows the several varieties and quantities of seed distributed during the past year, also to whom sent and to what places. It would be useful if all those supplied would furnish results of their experiments or trials. The officers of the Cotton Department of course do so, but information from outsiders would add to the completeness of record.

Conclusion.

74. In submitting this brief Report of the Administration of the Cotton Commissioner's Department for the past year, I have confined myself within the bounds of the Reports and Returns before me even more narrowly than in the observations of the Cotton Frauds' Report for the very reasons therein given. As it is, one of the Superintendents (Dharwar) has sent in no Report or Statements at all, and the other two officers (Guzerat and Khandeish) were so late that any detailed review was impossible. I trust, however, that what I have endeavoured to place before Government will be considered, under the circumstances, to have been as much as I could convey. The chief Return, Appendix G., has had my utmost attention, while the short summary from the Inspectors' and Superintendents' Reports gives an accurate idea of their lengthened contents. There has been some hurry too as I did not expect I should have been called upon for an Administration Report, the necessary knowledge for preparing which having been acquired only since being placed in charge of the two offices. The Resolution of Government on the last Annual Report extending the date of transmission to the 31st instant also found the District Officers backward when an early call was lately made.—I have, &c.,

J. H. MERRITT,
Officer in charge of Offices of Inspr. in Chief & Cotton Comr.

APPENDIX A.

THE MEMORIAL FROM THE CHAMBER OF COMMERCE, BOMBAY.

1. The Memorial prays not only for a repeal of the present Cotton Frauds Act, but urges that special legislation is neither necessary nor desirable, and for this, advances various reasons, amongst others, to the effect that Act IX. of 1863 was passed in a time of much excitement and during a very exceptional state of things as regards the cotton trade, when, it is said, "that the exigencies of the time made a ready market for every bale that could be shipped, and much inferior cotton was sent forward adulterated in a gross form."

2. But against such reasoning for the present purpose of the Memorial there is now this admission in para. 6, "that the adulter-

ation of cotton in other and not less injurious forms still continues."

3. In order that this unavoidable admission may not carry too much weight there is added to it "but with these the Act has been found altogether powerless to cope." Again, as if unable to speak too positively with the possibility of being confronted with opposite opinion or evidence, para. 7 says "that though your Memorialists consider there has been an improvement in cotton brought to market in Bombay during the last few years in the matter of cleanliness and less admixture of foreign substances than in the earlier period of the American war, they are unable to admit that this has resulted from the operation of the Cotton Frauds Act."

4. In para. 9 the Chamber falls back upon and takes advantage of the self-condemnation of the penal provisions of the Act as expressed by the Officers of the Department and recognised by Government. Lastly, to prevent the possibility of continuing an amended Act or by repeal of the existing law, having another and stronger one cast, the Memorial draws attention to the views expressed by His Excellency the Viceroy and Governor-General of India in withholding his assent from the New Bill which was introduced and passed in this Presidency in October 1869.

5. While avoiding a general discussion on the working of the Cotton Frauds Act which is best supported by reference to the past records of the meetings of the Chamber of Commerce, the Annual Reports of the several Inspectors-in-Chief of the Cotton Department, Resolutions of Government thereon, and the expressions of views as addressed to this Government by three Secretaries of State for India, I need go no further back than October 1869 (not 18 months back of the date of the Memorial), when it was noted "that the Chamber recognizes the advisability of passing a new Cotton Bill."

6. If this vote, only so lately recorded, is placed in juxta position with the admission conveyed in para. 6 of the Memorial under review, it is difficult to reconcile the prayer now made for a repeal of the present Act, "unsound in principle" (vide para. 14 of Memorial); nor, again, is this vote consistent with the present prayer to Government that "special legislation is neither necessary nor desirable."

7. When the opinion of the Chamber of Commerce of Bombay, weighty as that may be, and entitled to every consideration, is placed in the scales, against the paramount interests of the State in preserving the cotton trade of Western India, connected as this is with the pecuniary interests of the native cultivator and therefore of Government itself and also of the consumer and manufacturer of Great Britain, together with the recently opening up of a cotton trade with Europe via the Suez Canal, the right and necessity of Government protecting its chief staple of export from the abuses of adulteration and fraud which the trade is powerless to cope with, and the Memorial itself acknowledges are established beyond doubt. It will be as much as India can now do to compete with her great rival across the Atlantic; if the ryot grows less, that little must be exceptionally good; if improvement in quality has at all been realized, condition is equally necessary to be watched and exacted; if English shipping houses do manage to obtain good and clean

cotton, the Chamber knows that it is not and cannot be aware of much of what goes on in the cotton trade of the natives. We have had grosser and greater frauds of late years than ever had been perpetrated before exposures of which have occupied the Criminal and Civil Courts of Bombay.

8. When Act IX. of 1863 was contemplated, great fears were entertained of abuse of power vested in the Officers, and extortion by Subordinates, some going so far as to predict a stoppage of the trade. Need I here draw the attention of the Chamber to their Report for 1864-65 and to the portion of the report read by their Chairman, Mr. Grant, who when the law was first framed was then its most uncompromising opponent. The extract is as follows:—

> "The Act has been brought into operation with great caution and discrimination, and no complaints of undue pressure or harshness have been brought to the notice of your committee. The general quality of the cotton brought to market does not show much improvement in staple or cleanliness, but there is a very marked improvement in the general freedom from seed and wilful adulteration which had become so growing an evil *previous to the passing of the Act.* Your Committee consider that the Officers entrusted with the administration of an Act so likely to cause irritation, deserve the greatest credit for the judgment exhibited in bringing it into operation."

9. In conclusion I would observe that the officers of the Department have never argued that no Act was necessary; on the contrary, all without exception declare that if it becomes known that Government have withdrawn legislation for all time to come, the evils of adulteration and fraud would ride rampant in the markets.

10. It may perhaps not be out of place to mention here one fact of which the Chamber of Commerce are not aware. I quote the following from a letter addressed to the Secretary to the Madras Chamber on the 10th August 1869 by Mr. H. Rivett Carnac, from which it will be apparent that the Act *is* in force in the Berars under the orders of the Supreme Government.

> "As regards the Cotton Frauds Act, I must mention that the two Departments, *i. e.*, the Cotton Frauds Preventive Department and the Department for the Improvement of cotton cultivation, have always been separate in these Provinces as until recently was the case in the Bombay Presidency. Indeed the Cotton Frauds Act (Act IX. of 1863 of the Bombay Government) is not in force in the Central Provinces, although, as will be explained in a later paragraph, its extension has been recommended. *The Act is in force in the Berars, having been made applicable to that Province by an order of the Viceroy in Council.* But the power of inspecting and seizing cotton is vested in the Deputy Commissioners (corresponding to your Collectors) and not in the Cotton Commissioner, who exercises no authority whatsoever under the Act. I cannot thus pretend to have had much experience of the working of the Act, but as it has been stated more than once recent-

ly, that I am opposed to its provisions and to its further extension, I would refer you to paragraph 131 of my last Annual Report, in which the extension of the Act to the Central Provinces *is distinctly recommended*, which is perhaps the best answer to the objection to the old Act with which I have been credited."

J. H. MERRITT,
Officer in Charge of the Office of Inspector-in-Chief.

No. 2347 of 1872.

BOMBAY CASTLE, 15*th May* 1872.

To the SECRETARY to the CHAMBER of COMMERCE.

SIR,—I am desired by His Excellency the Governor in Council to acknowledge the receipt of your memorial, requesting the abolition of the Cotton Frauds Act (Act IX. of 1863). In reply I beg to state that His Excellency in Council will, in due course, carefully consider this important question. In the meantime he has directed that from the 16th instant the tax shall be reduced from three to two annas on every bale exported.—I have, &c.,

E. W. RAVENSCROFT,
Acting Chief Secy. to Govt., Rev. Dept.

No. 235 of 1872.

BOMBAY CHAMBER OF COMMERCE, 3*rd August* 1872.

To E. W. RAVENSCROFT, Esq., Acting Chief Secretary to Government, Revenue Department, Bombay.

SIR,—Referring to your No. 2347, dated 15th May last, announcing that His Excellency in Council had directed from that date the reduction of the export fee on Cotton from 3 as. to 2 as. per bale, and that the memorial from the Chamber for the repeal of Act IX. of 1863, known as the Cotton Frauds Act, would in due course receive his careful consideration, I am now directed by the Committee of Management to express their hope that His Excellency in Council may be able shortly to favour the Chamber with a reply to the memorial in question.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 3921 of 1872.

BOMBAY CASTLE, *9th August* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I beg to acknowledge the receipt of your letter, dated 3rd instant, relative to the Cotton Frauds' Act, and am desired to inform you that the important question is still under the consideration of Government.—I have, &c.,

F. R. S. WYLLIE,
For Acting Chief Secy. to Govt., Rev. Dept.

APPENDIX L.

THEFTS OF COTTON BALES IN THE HARBOUR.

BOMBAY CHAMBER OF COMMERCE, 13*th June* 1872.

To the MEMBERS of the CHAMBER of COMMERCE, Bombay.

GENTLEMEN,—The attention of the Committee of Management has been drawn to a case now being heard in the Court of the Senior Magistrate of Police, at the instance of Messrs. Volkart Brothers, in which serious charges of fraud are alleged in reference to certain shipments of cotton. Messrs. Volkart's good cotton is said to have been stolen from boats in the harbour and bales of rubbish are alleged to have been substituted. It is currently reported that the practice has not been confined to Messrs. Volkart's cotton: the Senior Magistrate is convinced that a gang of men have been systematically organizing fraud, and is anxious the matter should be probed to the bottom.

Messrs. Volkart Brothers have been urged to prosecute the case in question, in the common interest of the merchants and bankers of Bombay, and as they will be put to very great expense in doing so, it is proposed that the merchants and bankers should give a guarantee to share with Messrs. Volkart Brothers the expenses of the prosecution in order that the guilty parties may be brought to justice and punished.

Messrs. Volkart Brothers have already had to get the P. and O. Company to telegraph to Suez to return some cotton said to be part of the stolen property, and have, as a matter of course, had to give the P. and O. Company a guarantee of indemnity. The expenses may therefore be heavy for one firm to have to defray, and the Committee believe all merchants and bankers would gladly undertake to bear a share of the expense in order that the case may be vigorously prosecuted rather than allowed to fall through.

* * * * —I am, Gentlemen, &c.,

JAMES TAYLOR, Secretary.

BOMBAY, *22nd June* 1872.

JAMES TAYLOR, Esq., Secretary, Chamber of Commerce, Bombay.

DEAR SIR,—Referring to the investigation which has been carried on in the Police Court, respecting the fraud, in the substitution of cotton, committed upon us, and in reply to the letter of 19th instant received from the Chairman of the Chamber, we request you will inform the Committee of the Chamber of Commerce, that the prisoners in this case have all been committed to take their trial at the ensuing Sessions, and we have left the case in the hands of Messrs. Jefferson and Payne, our Solicitors, with instructions to continue the prosecution through the High Court. As Mr. Payne, who conducted the enquiry through the Police Court, is well acquainted with the merits of the case, we hope it is the intention of the Committee to allow it to remain in his hands.—We are, dear Sir, &c.

VOLKART BROTHERS.

BOMBAY, *16th July* 1872.

To J. K. BYTHELL, Esq., Chairman, Chamber of Commerce.

DEAR SIR,—Herewith Messrs. Jefferson and Payne's bills of cost for the prosecution of Jaitha Soorjee, Balla Meeya and others through the "High Court." We shall be glad to receive a cheque for the same, of which of course we shall bear our proportion.—We are, dear Sir, &c.

VOLKART BROTHERS.

BOMBAY CHAMBER OF COMMERCE, *20th July* 1872.

To the GUARANTORS for defraying the cost of the late prosecution in the matter of Cotton Frauds on Messrs. Volkart Brothers.

GENTLEMEN,—I beg to circulate for your information Messrs. Jefferson and Payne's bills of cost for the prosecution of certain persons who were convicted at the late Criminal Sessions of the High Court for frauds in cotton—com-

mitted on Messrs. Volkart Brothers—amounting in the aggregate to Rs. 2,280-11.

I also append a list showing the proportion to be paid by each guarantor, the amount of which may be paid to the bearer. Guarantors are requested to be so good as to note the payment of their respective shares in the list when paid.—I am, Gentlemen, &c.

JAMES TAYLOR, Secretary.

List of Guarantors for defraying the cost of the late prosecution in the matter of Cotton Frauds on Messrs. Volkart Brothers.

Names.	Amount to be paid Rs.	a.	p.	Date of Payment.
Messrs. W. & A. Graham & Co ...	121	2	4	Paid 22nd July 1872
„ W. Nicol & Co	121	2	4	Paid 30th July 18.2
„ Forbes & Co	121	2	4	Paid 27th July 1872
„ Knoop & Co	121	2	4	Paid 23rd July 1872
„ Finlay, Muir & Co	121	2	4	Paid 22nd July 1872
„ Ritchie, Steuart & Co ..	121	2	4	Paid 22nd July 1872
„ Finlay, Scott & Co	121	2	4	Paid 22nd July 1872
„ Gaddum & Co	121	2	4	Paid 22nd July 1872
„ Ralli Brothers	121	2	4	Paid 23rd July 1872
„ Wallace & Co	121	2	4	Paid 22nd July 1872
„ Framjee, Sands & Co	121	2	4	Paid 30th July 1872
„ David Sassoon & Co	121	2	4	Paid 31st July 1872
„ A. Blaschcck & Co	121	2	4	Paid 31st July 1872
Chartered M. Bank of I. & C	121	2	4	Paid 23rd July 1872
Chard. Bank of I. A. & China....	121	2	4	Paid 23rd July 1872
Agra Bank, Limited	121	2	4	Paid 22nd July 1872
P. & O. S. N. Company	121	2	4	Paid 1st August 1872
Messrs. Volkart Brothers	121	2	4	
Rs..	2180	10	0	
Messrs. Antrobus & Co	100	0	0	Paid 27th July 1872
Total Rs ..	2280	10	0	

No. 234 of 1872.

Bombay Chamber of Commerce, *5th August* 1872.

Messrs. Volkart Brothers, Bombay.

Dear Sirs,—Referring to your memorandum handing Messrs. Jefferson and Payne's bills of cost for the recent pro-

secutions in the High Court against certain persons convicted of fraud in shipments of cotton, amounting in the aggregate to Rs. 2,280-11-0. I now beg to hand you, by direction of the Committee of the Chamber, cheque for Rs. 2,159-7-8, being the amount of Messrs. Jefferson and Payne's two bills, less your share of the cost Rs. 121-3-4.—I am, dear Sirs, &c.

JAMES TAYLOR, Secretary.

BOMBAY, *6th August* 1872.

To JAMES TAYLOR, Esq., Secretary, Chamber of Commerce.

DEAR SIR,—We have received with thanks, your cheque for Rs. 2,159-7-8 for the share of the Members of the Chamber on the late prosecution through the High Court, as per Messrs. Jefferson and Payne's bill of costs. —Yours faithfully,

VOLKART BROTHERS.

APPENDIX M.

PROPOSED TRANSIT DUTY ON COTTON UNDER THE NEW MUNICIPAL BILL.

No. 267 of 1872.

BOMBAY CHAMBER of COMMERCE, *4th September* 1872.

To the ACTING CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—The attention of the Committee of the Chamber has been called to the new Municipal Bill printed as Part V. of the *Government Gazette*, dated 30th ultimo, with the report thereon of the Select Committee of the Council of His Excellency the Governor of Bombay for making Laws and Regulations, in Schedule B. of which Bill cotton is noted as one of the articles on which a town or octroi duty of 4 annas per candy might be levied.

It is not the intention of the Committee to discuss the question of the imposition of town duties on the present occasion, but I am instructed to draw the attention of His Excellency in Council to the point, that in the opinion of the Committee the levy of any rate on cotton brought to Bombay for export would be, not a town or octroi duty, but a transit duty.

This being the view taken by the Committee, I am further instructed respectfully to enquire whether it is competent for the Council of the Governor of Bombay for making Laws and Regulations, to legislate for the imposition of transit duties in any form, without the consent of the Government of India.

The Committee are far from believing it to be the intention of His Excellency in Council to agree to the imposition of a rate of any kind on the export of cotton, but they consider it to be their duty to call special attention to the matter when they see that a Select Committee of His Excellency's Council for making laws and regulations have

placed cotton in a schedule of articles on which they consider town duties should be levied.

I am to request you will be good enough to place this letter before His Excellency with the least possible delay.—I have, &c.,

JAMES TAYLOR, Secretary.

BOMBAY CHAMBER of COMMERCE, 12*th October* 1872.

To J. NUGENT, Esq., Secretary to the Council of His Excellency the Governor of Bombay, for making Laws and Regulations only, Poona.

SIR,—I am directed to state, for the information of His Excellency the Governor, that at the Annual Meeting of the members of the Chamber, held on Tuesday last, the 8th instant, the accompanying resolution was, after an expression of opinion on the subject by several members, put to the vote from the Chair, and passed unanimously.

2. In placing this resolution before His Excellency, I am desired by the Committee of Management respectfully to express their regret that the Municipal Bill which has been introduced into His Excellency's Council for making Laws and Regulations, read a second time, and all but passed, should give power to impose a tax on the principal article of export from Bombay under guise of town duty, but which is really a transit duty, and as such in direct opposition to the repeatedly expressed orders of the Supreme Government that no town duty having the character of a transit tax should be imposed by any Administration or Local Government in India.

3. Town duties, a system of taxation inherited from Native Governments, were levied on account of the Government of India up to 1834, when they were abandoned shortly after the abolition of transit duties, on the ground that they obstructed trade and preyed on the various industries of the country.

4. Since that time the Government of India has watched the nature of the duties imposed by Municipalities with a jealous eye, in order to prevent the imposition of local taxes that in practical operation would be little else than transit dues under another name.

5. Sir Charles Trevelyan, in his Financial Statement made in the Governor-General's Council on the 7*th* April

1864, when referring to the re-appearance of town duties in the shape of municipal taxes, said—" The principle that " town duties are a tax on the consumption of towns for " whose benefit they are levied, and that they should on no " account be extended to any article belonging to the transit " or general trade, ought to be jealously guarded."

6. The Government of India in 1867—in reply to representations made by the Bengal Chamber of Commerce regarding the mischievous effects of octroi duties on trade in the N. W. Provinces and the Punjab—stated, under date 15th October, idem, that the Governor-General in Council could see no reason for interfering with the practice, as it was in accordance with the general wishes of the inhabitants,—" *so long as it is so guarded in its incidence as in no* " *case to assume the form of a transit duty.*"

7. The resolution of the Government of India, published in November 1868, for the purpose of directing the attention of all Local Governments and Administrations to the wide departure that had been allowed from the principles enunciated in 1864, specially called attention to the Bombay Town Duties Bill of 1868, which was characterised as a scheme " for levying transit duties in the most naked form on cotton, opium, and metals passing through the town."

8. When the Bill referred to came before the Council of the late Governor of Bombay for making Laws and Regulations for a second reading, after having been practically shelved for two years, His Excellency required cotton and opium to be taken out of the list of articles proposed to be taxed for municipal purposes, on the ground that taxes on those articles would be really transit duties, and that he had no power to impose such without the consent of the Government of India.

9. Yet in face of the repeated denunciations of the Government of India against all town duties which take the form of transit duties, and in direct opposition to the course taken by the Government of Bombay in 1868, the Bill now before His Excellency's Council has been pushed forward, and the tax on cotton advocated by the members of His Excellency's Government.

10. It is not the intention of the Committee to discuss such reasons as have been offered in the Council for the course that has been pursued, but in reference to the one plausible reason put forward for taxing cotton, namely, the assertion so

often repeated—that services are rendered to the cotton trade by the use of the municipal roads and otherwise,—I am to observe that there is not a single service of any description rendered to cotton in Bombay, for which those engaged in the trade do not pay handsomely.

11. It must be remembered that a large quantity of cotton brought to Bombay comes by railway full pressed and is placed on the bunders for shipment without using the roads at all, while the cotton carried on the roads has to bear a tax on labour carts and hackeries which it is believed is heavier than is borne in any other Municipality in India or elsewhere.

12. Cotton stacked on the Cotton Green is subjected to a rent charge which has mainly paid for improvements carried out by the Esplanade Fee Fund Committee, while but little service for the fee charged has been rendered to the cotton trade itself.

13. In short, what between godown rent, cart hire enhanced by the heavy cart tax, Esplanade fees, bunder fees, shipping charges, and export fees, it is doubtful if there is any article of commerce so heavily taxed in any port in the world as cotton is in Bombay.

14. To section 114 of the Bill which gives power to the Corporation, with the sanction of Government, to alter the list of articles and rates specified in the schedule of town duties, the Chamber has a strong objection: such power given to a Municipality, which has acquired notoriety for reckless and wasteful expenditure during the first six years of its existence, may well cause anxiety,—seeing that it was entirely owing to this wasteful expenditure unchecked by Government, that it became necessary to impose the existing town duties nearly four years ago.

15. The Committee, therefore, respectfully but earnestly pray in the name of the members of the Chamber, that His Excellency the Governor may be pleased to withhold his consent to Bill No. 3 of 1872 being made law, unless the clause in section 114, above referred to, is expunged, and cotton removed from the list of articles in Schedule B. on which taxes are to be levied.

16. I am to request you will be good enough to place this letter before His Excellency the Governor immediately on receipt.—I have, &c.,

JAMES TAYLOR, Secretary.

At the annual Meeting of the Members of the Chamber of Commerce, held on Tuesday, the 8th October 1872—

It was proposed by DONALD GRAHAM, Esq., of Messrs. W. & A. Graham & Co., seconded by JAMES MACALISTER, Esq., of Messrs. Finlay, Muir & Co.:—

"That this Chamber having observed with regret that in the Municipal Bill (No. 3 of 1872) now under consideration by the Council of His Excellency the Governor of Bombay for making Laws and Regulations, provision has been made for levying a transit due of four annas per candy on all cotton passing through Bombay, and that Section 114 of the same Bill gives the Municipal Corporation power, with the sanction of the Government of Bombay, to vary the articles on and the rates at which Town Dues shall be levied in Bombay:—

"*Resolved*—That the Committee of the Chamber be instructed to address His Excellency the Governor of Bombay to withhold his sanction from the aforesaid Bill until those objectionable provisions are expunged, and to point out—

"1*st*. That to institute a system of Transit Dues in Bombay would be directly to help to destroy a trade that is already heavily burdened in many ways, and would moreover be acting in direct contradiction to the orders contained in the Government of India's Minute, dated 14th November 1868.

"2*nd*. That the aforesaid Section No. 114 virtually gives the Government of Bombay power to impose a Transit Due on every article of trade in Bombay, because the condition under which it is proposed to give a return of duty will to a very great extent prevent exporters from availing themselves of it."

Carried unanimously.

(True Copy.)

JAMES TAYLOR, Secretary.

Bombay Chamber of Commerce, 12th October 1872.

THE GOVERNMENT OF INDIA ON MUNICIPAL TAXATION.

(Gazette of India, Nov. 14, 1868.*)*

RESOLUTION.—The Governor-General in Council desires to call the attention of local Governments and Administrations to the subject of municipal taxation, and more especially to that portion of it which is levied under the name of octroi or town duties.

2. In the resolution of the Government of India, in the Financial Department, published in the *Gazette of India* on the 14th September 1864, it was stated as follows:—

"Town duties are very effective for raising money. They existed under the native *regime*, under the name of *choongee*, or handful, implying that everything that passed had to pay a small contribution; and in some parts of India they are more popular than direct taxes of any kind. If they could be confined to things consumed in the town without interfering with the transit trade,

they would be only open to the objection that they fall in undue proportion upon the poor. But after a full trial of this tax in Bengal and the North-Western Provinces, it was abolished in 1835 as being alike injurious to the general trade and to the towns immediately affected, and as not being capable of effectual remedy by any contrivances of bonded-warehouses or drawbacks. Town duties have been lately re-established as a municipal tax in many places in the North-Western Provinces, Oudh, and the Punjab, and the old vice of interference with the general trade immediately re-appeared with the additional aggravation that this time the public at large were mulcted for the advantage of local interests. It was proposed to build a bridge over the Jumna at Agra at a cost of £80,000 out of municipal funds. The ample resources of the new Municipality were explained by the table of duties. Among them was a duty upon all the cotton brought to Agra to be sent to Calcutta by rail or river. Soon after, the commanding officer at Cawnpore, as the head of the local Municipality, was reported to have ordered a similar duty to be levied. The unchecked multiplication of these local exactions would soon reproduce the worst evils of the old transit and town duties.

"The town duties which were abolished in 1835 were levied only upon eight articles of local consumption, but there appears to be no limit to the number of articles upon which they are exacted since they have been revived as a municipal tax. There are 197 articles, many of which branch out into numerous sub-divisions, upon which town duties are levied in zillah Seetapore, in Oudh; and at Broach they amount to 182 under the head of 'articles imported for consumption;' 5 under 'raw material imported to be manufactured,' and 51 under articles (the produce or manufacture of the place) exported, or 238 in all, without including sub-divisions. This multiplication of petty exactions is open to great objection. The tax ought to be confined to a few articles of local consumption, such as ghee, firewood, fruit, vegetables, fowls, eggs, and animals for slaughter, which do not enter into the general trade of the country, and which, being recognizable at first sight, do not involve the stoppage and search of other commodities."

3. In the foregoing extract the proper principles on which octroi duties should be levied, are clearly defined. Such duties should be restricted to articles actually consumed in the towns, and should not be imposed upon articles of general commerce, or interfere with the natural course of transit trade.

4. The Government of India has reason to believe that these sound principles,—the truth of which has been established by the prolonged experience of those countries of Europe in which octroi duties form commonly a source of municipal revenue,—have been frequently lost sight of, and that to meet the burden of an annually increasing expenditure upon police, education, or sanitary improvements, a widespread system of taxation has been introduced, injurious to interests on which the burden in a great measure falls, and standing in the way of the proper development of the commerce of the country. It is to little purpose that the Imperial Government reduces or abolishes Customs duties in the interests of

trade, if Municipalities are permitted to levy duties on articles of commerce passing through their limits.

5. In all parts of India, municipal taxation is largely on the increase, and there is a growing tendency to overlook, for the sake of small local improvements, the real injury that is being inflicted upon important general interests.

6. The Government of India does not consider it necessary to recapitulate here any of the standard arguments against transit duties. Such duties have long since been condemned by universally-accepted maxims of policy, and it will be more to the purpose to give a few out of the many instances that might be chosen to show how fundamentally these maxims have been violated, and how necessary the interference of the Supreme Government has become.

7. At Kurrachee, a large proportion of the municipal revenue has for some years been derived from duties which are in fact transit duties on the trade passing through that town and port. Propositions have lately been made to authorize this system by fresh legislation, and to impose, for local purposes, taxes on metals, cotton, piece-goods, cloth, wool, grain, hides, indigo, timber and many other commodities entering into the wholesale general trade of the country. There is reason to believe that much of the produce that is taxed is not even taken into the town, but is carried directly from the railway station to the ship by which it is exported.

8. At Bombay the Municipality has lately proposed a scheme for levying transit duties in the most naked form on cotton, opium and metals passing through the town.

9. At Madras an Act has been passed containing a provision for enabling the Municipality to levy a sea-toll at the rate of four annas per ton on every boat or raft carrying merchandise or baggage to or from the town. In giving his assent to this Act on the 5th September 1867, His Excellency the Governor-General issued the following instructions:—This toll appears to the Governor-General to be a mere impost on trade for the purposes of the Municipality, in return for no service whatever. It is, in fact, an almost undisguised transit duty and under circumstances in which such an impost is least excusable * * * such a Bill is, moreover, generally contrary to public policy; it defeats the object which the Government of India has in view in the interest trade, in reducing and abolishing Customs duties; and, therefore, while the Governor-General is unwilling to withhold his assent to the Act on account of the provisions in question, he thinks it right to desire that the power of levying sea-tolls conferred by them may not be exercised."

10. In the Central Provinces, town duties are collected in all the principal towns, and it has been found impossible to prevent them from occasionally degenerating into transit duties on some of the articles taxed.

11. The same is true in the North-Western Provinces. In Agra, one of the great *entrepots* of the trade between the British territories and Gwalior and Rajpootana, sugar is taxed by the Municipality, although not intended for consumption in the town, and although

the day after its arrival it may change hands and be sent off to Rajpootana.

12. The principle on which these are levied in Oudh and the Punjab is the same. In Oudh, during the prevalence of the late famine, in Behar, Tirhoot, and Bengal, when an immense exportation of grain was going on to supply the wants of the latter provinces, duties,—which could not properly be called anything but transit duties,—were systematically levied in several places on every cart-load and boat-load of grain that was exported. Similar transit duties were levied, not long ago, on timber brought from the Oudh forests for exportation to distant markets.

13. It is believed that Bengal is the only province in this presidency to which similar remarks would not be more or less applicable.

14. That this system of taxation should in so short a time have acquired such widespread development is easily accounted for. No imposts are so generally popular among the more influential classes in towns. They yield large revenues, they provide the means for carrying out many local improvements, and in so far as they are really transit duties, they enable the townspeople to make others bear the burden of taxation which should properly fall upon themselves.

15. And it would seem that not only have some of the proper principles of municipal taxation been thus lost sight of, but in many parts of India a fundamental principle of taxation has also been disregarded. It has always been held as one of the criterions of a good tax that it should take as little as possible above what it brings into the treasury; in other words, that the cost of collection should be reduced to a minimum. From a return recently received from the North-Western Provinces, it appears that in some instances the cost of collecting municipal duties has reached 33 per cent. of the receipts, and the average cost is nearly 20 per cent. This mainly arises from the fact that these duties are levied in many places where the population is small. It is clear that it is only in important towns, where the consumption of the people is large, that such a system of taxation can under any circumstances be appropriate or profitable.

16. For these reasons the Government of India desires to call the attention of all local Governments and Administrations to the wide departure that has of late been allowed from the principles enunciated in 1864, and quoted at the beginning of this resolution. Whereas it was intended that town duties should be strictly limited to articles actually consumed in towns, or put to a final use in them, and that all interference with trade should be scrupulously avoided, a system has grown up under which the burdens necessary to meet purely local wants have been in a great measure transferred by local authorities to other people.

17. The resolution of 1864 specially pointed out the articles to which municipal taxation should be confined, and what has been above stated shows the necessity of repeating those instructions.

18. It is essential that town duties on articles of consumption should fall entirely on the population of the town for the benefit of which such taxation is imposed. Similar duties, as stated by Sir

C. Trevelyan in his financial statement of April 1864, were abolished thirty years ago, because it was found that they interfered with the free course of the general trade through the principal marts. "The principle," he said, "that town duties are a tax on the consumption of the towns for whose benefit they are levied, and that they should on no account be extended to any article belonging to the transit or general trade, ought to be jealously guarded."

19. If these principles be strictly acted upon, and the duties be moderate in amount, the Governor-General in Council is of opinion that there is in many parts of India nothing objectionable in this system of taxation for local purposes.

20. In wealthy communities, like those of Europe, it may be admitted that the balance of argument is in favour of raising municipal revenues by direct taxation only, and leaving the local trade entirely free. But in so poor a country as India, it will, in the judgment of the Governor-General in Council, be more commonly the best course to combine direct with indirect taxation; for by this means alone can a sufficiently broad base be secured for raising a sufficient income without undue pressure on individuals. So long as octroi duties on grain and other articles of consumption are kept at a moderate rate, they do not injuriously affect small retail transactions with which the poorer classes are mainly concerned. That such duties are commonly far more popular in India than any direct taxation, is a strong argument in their favour, and the prejudice against them, founded on the common practice of England, should not be allowed to prevent their introduction under suitable limitations, where there is reason to think that the general feeling would be to prefer them to other forms of taxation.

21. The Government of India also desires to point out that a municipal body can have no claim to take tolls on traffic entering its boundaries by roads or canals. Such imposts are merely a means of raising money from the commerce of the country for the benefit of the town in which they are levied. It may be quite legitimate for a Municipality to levy a toll on a road or bridge constructed within its own limits and for the convenience of the town; but when the cost of the work has been recovered, the road or bridge should be thrown open to the public, or the toll reduced to the minimum necessary to keep the work in proper repair.

22. The Government of India does not forget that if municipal taxation be thus regulated, there may be in some places a considerable decrease of municipal revenues.

23. There may be consequent difficulty in meeting the necessary charges on account of police establishments which are now paid from municipal funds.

24. It will be for local Governments and Administrations to review the whole question of municipal taxation and expenditure, and the Government of India will be prepared to consider any well-founded claims for assistance from the Imperial revenues in bearing the charges for town police, when it can be shown that the observance of the principles laid down in this resolution renders it proper to revise the existing adjustment of the shares of those charges between the Government and the Municipality.

25. The Governor-General in Council therefore prescribes for general adoption the following rules. He requests that the existing practice may be brought into conformity with them, and that they may not be deviated from, without the previous sanction of the Government of India.

I.—Subject to the limitations contained in Rule II., no town duty or cess under any name shall be levied by any municipal body on any commodity not included in the following list, viz:—

(1).—Articles of food or drink for men or animals.
(2).—Animals for slaughter.
(3).—Articles used for fuel, for lighting, or for washing.
(4).—Articles used in the construction of buildings.
(5).—Drugs, gums, spices, and perfumes.
(6).—Tobacco.

II.—No such duty shall be levied on any of the following articles, viz:—

(1).—Articles liable to Customs duty and imported into India by sea.
(2).—Salt.
(3).—Opium.
(4).—Fermented or spirituous liquors manufactured in India and drugs liable to excise or abkaree duty.

III.—No such duty shall be levied excepting on things brought into a town for actual use or consumption therein. No such duty shall be levied on goods which, being brought into a town, shall be again exported, even though such goods shall have changed owners in the town. On the exportation of dutiable goods, the exporter shall be entitled to a refund of the amount of duty proved to have been paid on the import of those goods; a minimum sum, below which no refund shall be so claimable, being fixed with the approval of the local Government.

IV.—Every Municipality by which such duties are levied will provide, in such manner as the local Government may think fit, proper accommodation for the storing in warehouses or otherwise, of articles in transit liable to duty, but not intended for use or consumption within the limits of the Municipality. Reasonable fees may be charged on articles stored in places provided under this rule for the accommodation of traders.

V.—No duties shall be levied on sales, or other trade transactions, of the kind known under the name of *choongee*, &c., nor any imposts on trade other than duties authorised under these rules.

VI.—No toll shall be levied by any Municipality on any person, animal, or thing on entering the municipal limits or passing along any road, canal, or river within those limits; provided that this rule shall not prevent the levy of special payments under lawful authority, for the use of any bridge, quay, wharf, lock, or other work constructed or maintained at the cost of the Municipality.

VII.—No town duty or toll shall be levied on goods, vehicles, &c., *bona fide* the property of the Government, brought within the municipal limits for the exclusive and direct use of Government. When the Government takes delivery of goods from a dealer or

contractor within municipal limits, the above exemption shall not apply.

ORDER.—Ordered, that a copy of the above Resolution be communicated to the following Governments and Administrations for information and guidance:—

Government of Bengal.
" of North-Western Provinces.
" of Punjab.
Chief Commissioner of Central Provinces.
" " of Oudh.
" " of British Burmah.
Commissioner of Coorg.
Resident at Hydrabad.

APPENDIX N.

IMPROVEMENT OF COTTON CULTIVATION.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

ALLAHABAD, 30*th December* 1871.

SIR,—I have the honour to advise you of the despatch by to-day's banghy post of two samples of cotton, Nos. A. and B., respectively, and shall esteem it a favour if your Chamber will kindly give me their opinion on the respective merits of the two samples.

2. I would mention that both samples are of the same kind of cotton, *i.e.*, that grown in the Umballa Division. Each has been cultivated on a different system, and I am anxious to ascertain whether in your opinion in either of the specimens a superiority in length or strength of staple is evinced in comparison with the other.—I have, &c., .

H. RIVETT-CARNAC, Cotton Commissioner.

No. 15 of 1872.

BOMBAY CHAMBER OF COMMERCE, 25*th January* 1872.

From H. RIVETT-CARNAC, Esq., Cotton Commissioner, Allahabad.

SIR,—In reference to your letter No. 7017, dated 30th December, advising by banghy a packet containing two cotton samples grown in the Umballa division, marked A. and B., respectively, on which you desired to have the opinion of the Chamber, I have now to inform you that the packet came to hand a few days ago, when the samples were duly submitted for the inspection of the Committee.

In reply I am to inform you that the cotton in both samples is considered good of its kind, and would class at

home as good fair to fully good fair Bengal; there is no material difference between the two samples, but the cotton in the sample marked A. is somewhat more even in staple than the sample marked B.—I have, &c.,

JAMES TAYLOR, Secretary.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

CAMP BOMBAY, 13*th May* 1872.

SIR,—I have the pleasure to enclose you a small sample of Hingunghaut cotton grown in the Punjab, at Umritsur.

2. I shall be much obliged if you will have it sampled for me and ascertain whether it has deteriorated in any way from the parent stock, and if so to what extent, in other words, what would it be worth in the Bombay market at the present time.

3. My brother, Mr. Francis Halsey, the grower, speaks of an out-turn of 199 lbs. of clean cotton per acre.—I have, &c.,

W. S. HALSEY,
Offg. Commissioner of Cotton and Commerce.

No. 152 OF 1872.

BOMBAY CHAMBER OF COMMERCE, 10*th June* 1872.

From W. S. HALSEY, Esq., Officiating Commissioner of Cotton and Commerce with the Government of India, Allahabad.

SIR,—I have to acknowledge the receipt of your letter, dated 13th ultimo, forwarding for opinion a small sample of cotton grown at Umritsur, Punjab, from Hingunghat seed.

The sample was duly submitted for the inspection of the Committee, and in reply I am desired to state, that as compared with Hingunghat the cotton is rather short and very uneven in staple, very dull in colour, and stained: it is considered to be worth about Rs. 15 per candy less than Oomrawuttee.—I have, &c.,

JAMES TAYLOR, Secretary.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

ALLAHABAD, *24th May* 1872.

SIR,—I have the honour to advise you of the despatch by to-day's banghy post of six specimens of cotton,* and would feel extremely obliged if you will kindly favour me with the opinion of your Chamber upon the value and quality of the samples I may mention these are the produce of the kinds marginally noted, grown in the Nicobar Islands.—

* Hinguughat.
Sea Island.
Egyptian.
Jurree.
New Orleans.
Dharwar.

I have, &c.,

W. S. HALSEY,
Offg. Commissioner of Cotton and Commerce with the Government of India.

No. 153 of 1872.

BOMBAY CHAMBER OF COMMERCE, *10th June* 1872.

~~From~~ W. S. HALSEY, Esq., Officiating Commissioner of Cotton and Commerce, Allahabad.

SIR,—I have to acknowledge the receipt of your letter No. 1325, dated 24th ultimo, together with the cotton samples grown in the Nicobar Islands, therein advised, on which you request the opinion of the Chamber.

In reply I have now the pleasure to annex herewith a detailed report on the several samples, giving the opinion of the Committee of Management thereon.

In forwarding this report I am to remark that these samples show a remarkable development of staple as regards length, but deficiency in respect to evenness and strength: the fact, however, of the staple being so much improved, would seem to show that the climate and soil of the Nicobar Islands are specially favourable for the culture of the higher classes of cotton, and the Committee request you will be good enough to have this matter brought specially to the attention of the Government of India.

I am further to observe that these samples fully corroborate the opinion given by the Chamber on a sample of cotton said to have been found growing in an almost wild state in the Nicobars, submitted by Mr. Rivett-Carnac, and reported

on in August 1870;—see the Annual Report of this Chamber for 1369-70, page 57.—I have, &c.,

JAMES TAYLOR, Secretary.

BOMBAY, 10*th June* 1872.

Report on the under-mentioned samples of Cotton grown in the Nicobar Islands, and submitted for opinion by W. S. Halsey, Esq., Officiating Commissioner of Cotton and Commerce, with the Government of India, under date 24th May 1872.

HINGUNGHAT SAMPLE.—Fine long silky staple but uneven; length of staple nearly double that of Hingunghat but not quite so strong; colour dull and rather stained and the sample mixed throughout with small pieces of dead or perished cotton, which is very objectionable—more valuable than the regular Hingunghat, or from 10d. to 12d.

SEA ISLAND.—Long and fine, but rather weak in staple, for such a high class cotton: dull in colour and slightly stained; also contains pieces of perished cotton. Would class in Liverpool with stained Sea Island Cotton, on the 10th of May 1872, stained Sea Island worth 14d. to 22d.

EGYPTIAN.—Very similar in all respect to the Sea Island sample.

JURREE.—Very similar to the Hingunghat sample.

NEW ORLEANS.—Long fine staple, not very strong. Colour dull and badly stained, and mixed with perished cotton and seed, value about 10d. to 11d.

DHARWAR.—Staple fair length, but rather uneven and very neppy. Fair colour, but mixed with stained and wasty cotton, also seed.

APPENDIX O.

FRAUDS IN WOOL.

CUSTOMS HOUSE, *25th October* 1871.

To L. REID, Esq., Commissioner of Customs, Bombay.

SIR,—I have the honour to report for your information that an attempt was recently made to export thirty bales of wool under a false description as regards value under the following circumstances.

2. An export shipping bill for 30 bales of Kurrachee wool, signed by one Samuldas Tribhowun by the hand of Mohunlall, was presented at the Custom House, in which the wool was valued at Rs. 90 a bale. It was reported to me by Mr. Young, on the representation of Krishnarow, gatekeeper, that the wool was worthless, and a sample was sent for my inspection.

3. The sample appeared to me comparatively worthless, and I at once communicated with the police, with whose assistance and acting under the advice of Mr. Hearn, one Mohunlall Premchund was placed before the Senior Magistrate, charged with knowingly making a false declaration in the transaction of business connected with the Customs under Section 216 of the Act. He was convicted and sentenced on the 18th instant by Mr. Connon to a fine of five hundred rupees.

4. I would beg to recommend that the result of this case be reported to the Chamber of Commerce, as it shows what I believe to be a common practice in Bombay. It was brought out in evidence that the so-called wool had been bought in Bombay for Rs. 13 a bale and was subsequently shipped as good Kurrachee wool at Rs. 90 a bale, it being no doubt the shipper's intention to obtain an advance to the fullest extent against the bills of lading.

5. I may mention that no fraud on the Customs was intended, and I was induced to prosecute solely for the purpose of protecting trade.—I have, &c.,

G. NORMAN,
Deputy Commissioner of Customs, Salt and Opium, P. D.

No. 3772 of 1871.

BOMBAY, OFFICE OF COMMISSIONER OF CUSTOMS,

27*th October* 1871.

True copy forwarded to the Chamber of Commerce, Bombay, for information.

L. REID, Commissioner of Customs.

No. 242 of 1871.

BOMBAY CHAMBER OF COMMERCE, 1*st November* 1871.

L. REID, Esq., Commissioner of Customs, Bombay.

SIR,—I am directed by the Committee of Management of the Chamber of Commerce to acknowledge receipt of your memo., dated 27th ultimo, handing, for the information of the Chamber, copy of Mr. Deputy Commissioner Norman's letter to you, dated 25th idem, detailing the measures taken by him for the punishment of one Mohunlall Premchund for making a false declaration in reference to a shipment of 30 bales of wool valued by him as good Kurrachee wool worth Rs. 90 per bale, whereas it appeared the bales consisted of mere rubbish and had not cost more than Rs. 13 per bale.

In reply I am desired by the Committee of Management to tender you their acknowledgments for your attention in forwarding copy of Mr. Norman's letter, and I am further to request you will do the Committee the favour to convey to Mr. Norman this expression of the sense they entertain of the valuable service he has rendered to the trading interests of this place in exposing a fraud of a character unfortunately too common in Bombay, and bringing the offender to justice.

The Committee are glad to observe the prosecution was successful and that the sentence of the Magistrate so adequately marked the heinous nature of the offence.—I have, &c.,

JAMES TAYLOR, Secretary.

APPENDIX P.

THE NEW MAIL ARRANGEMENTS.

BOMBAY CHAMBER OF COMMERCE, *13th December* 1871.

F. R. HOGG, ESQ., Officiating Director General of the Post Offices of India, Calcutta.

SIR,—Referring to your letter of 5th November 1870, explaining the Post Office arrangements in connection with the proposal to despatch the English mail steamer from Bombay on Monday evening at 5½ P.M., when the Mont Cenis tunnel would be completed and the mails despatched through Italy and France,—in reference to which proposal it was pointed out by the Committee of this Chamber that Monday, 5½ P.M., would be very inconvenient for the mercantile community of this place, I am now to state that the announcement made by the P. and O. Company in the newspapers, that the arrangements referred to are to come into operation less than a month hence, and that the first despatch on Monday will be made on the 8th January, has come upon the mercantile community here as a surprise, and there is a very strong feeling throughout the community against the arrangement.

When the reasons of the Director General for proposing the arrangement, as in his view the best for all the Presidencies, were communicated to the Chamber, there appeared to be, owing to the war in Europe, the unfinished condition of the Mont Cenis tunnel, and the incomplete state of communication on the through lines of railway in India, so much uncertainty about the proposed arrangement coming into force at the date proposed, that the Committee could then only recognise the difficulty of proposing any arrangement which, while it might be approved by Bombay, would not also be inconvenient to the other Presidencies, and they expressed a hope that in the event of any modification of the Director General's proposal being afterwards made, he would

at the same time make such modification in a manner that would be more convenient to Bombay, though it now appears no modification was either proposed or made.

The Committee of this Chamber, after again examining the matter in its various bearings, consider that the despatch of the mail steamer from Bombay may be made on *Tuesday evening* at 5½ P.M. instead of Monday, without inconvenience to the other Presidency towns. By despatching the mail from Calcutta on Saturday evening and from Madras on Sunday morning, both mails would be received in Bombay on Tuesday about noon, and these dates of despatch could in no way inconvenience the mercantile community of either place.

As regards Calcutta, the merchants would be in precisely the same position as those of Bombay are now, and as regards Madras, business would in any case be closed on Saturday afternoon, and the despatch of the mail next morning would be no inconvenience whatever.

I am to point out that the practical effect of a despatch of the mail steamer on Monday afternoon from Bombay will be to turn Sunday into a working day, and that is a result which the Committee feel assured would be deplored by every authority in India from the Governor-General downwards.

I am further to observe that a Tuesday evening despatch from Bombay will more effectually secure the object so greatly desired by the London merchants, namely, the receipt of the Indian mail on Monday, than is likely to be the case under the arrangement that has been announced for Monday evening.

The mail when despatched by the Mont Cenis route, and through France via Calais, will probably generally reach London in twenty-[redacted]ys. This would bring the Indian mail to London on Sunday by a despatch of the mail from Bombay on Monday, and so bring about a result not desired by the London authorities; whereas by a Tuesday's despatch from Bombay, the cases would be few indeed in which the mail would arrive in London on Sunday, while a Monday's receipt might be calculated upon with fair regularity, and even if the receipt were to be on Tuesday it would be still no less convenient for the London merchants and the London Post Office.

I am also to mention for your information that the Com-

mittee of the Chamber have ascertained from the Superintendent of the P. and O. Company that Tuesday would suit that Company quite as well as Monday, and would in no way interfere with their general arrangements.

In conclusion, I am to request you will be good enough to favour the Committee with a reply at your earliest convenience after receipt hereof, and they trust that, with the concurrence of His Excellency the Viceroy in Council, you will be able to meet the wishes of Bombay by altering the mail arrangements in conformity with the suggestion now made.—I have, &c.,

JAMES TAYLOR, Secretary.

From F. R. Hogg, Esq., Officiating Director General of Post Offices of India, to the Secretary to the Chamber of Commerce, Bombay; dated Nagpore, 26th Dec. 1871.

Sir,—I have the honour to acknowledge the receipt of your letter of the 13th December, requesting that the contemplated departure of the Peninsular and Oriental Company's mail contract steamers from Bombay may be postponed from Monday evening to Tuesday evening, and in reply to communicate the following remarks.

2. In October 1870 the Chamber was furnished (vide this Office letter No. 3183, dated 4th October 1870) with a copy of a letter No. 2960, dated 15th September 1870, from this office to the London Post Office, proposing Monday at 5½ P.M. in the fair season as the day and hour for the departure from Bombay of the Peninsular and Oriental Company's contract mail steamers on the adoption of the Brindisi route for the Overland Mail. To this the Bombay Chamber of Commerce took exception in their letter of the 12th October 1870, representing that Monday, 5½ P.M., in the fair season, will be a very inconvenient day for the mercantile community, and expressing a hope that this part of the proposed arrangements might be altered. Mr. Monteath replied (this office letter No. 3617, dated 5th November 1870) at some length, pointing out the particular inconvenience to which the three Presidency towns would respectively be subject from the adoption of any other day but Monday, and expressing a belief that the minimum amount of inconvenience would result from the adoption of the arrangement

already suggested. To this you replied on the 17th November 870 in the following terms :—" I am to express the acknowledgments of the committee for the trouble you have taken in laying before them the whole bearings of the question as they affect the other Presidency towns ; they fully recognize the difficulties you point out in the way of proposing any other arrangement that would be more convenient to Bombay, and they are satisfied that in the event of modifications of your proposal being made hereafter, you will do what you can to make any change that may be necessary as convenient for us as circumstances will permit."

3. No modifications of the original proposal having been made, I concluded that the Chamber had accepted a Monday evening despatch from Bombay in the fair season and a Friday evening despatch in the monsoon as the best arrangement practicable under the circumstances, and consequently, in reply to a telegram recently received from London, I intimated my wish to adhere to the proposal made to the London Post Office in this office letter of the 15th September 1870.

4. On reconsideration the Chamber are now of opinion that the departure of the steamer might be advanced from Monday to Tuesday in the fair season with advantage to Bombay and without inconvenience to the other Presidency towns. The change suggested would undoubtedly be an advantage to Bombay, but I cannot admit the absence of inconvenience to Calcutta and Madras. As regards Calcutta, you remark " the merchants would be in precisely the same position as those in Bombay are now." The analogy, however, is not complete, for at present the Bombay mail closes on Saturday at 2 P.M., the after packet being kept open till 3 P. M., and late letters being received at the Pier Post Office up to 4-30 P.M., while under your proposal the Calcutta community could post their overland correspondence up to half-past seven on Saturday night, late letters being received at the Armenian Ghat up to 8-30 or 9 P.M. The great difference in respect to inconvenience between a late Saturday evening despatch and a Saturday afternoon despatch has already been adverted to in previous correspondence between our offices. In respect to Madras, you observe that " business would in any case be closed on Saturday afternoon and the despatch of the mail next morning would be no inconvenience whatever." By your own show-

ing, however, Madras would be subjected to the inconvenience of a late Saturday evening despatch, and the inconvenience would not rest at this point, for experience in Bombay at the time when the Peninsular and Oriental steamers started at 10 A. M. show that when an overland despatch is extended to the morning many of the night hours have to be spent by the mercantile community in business connected with the out-going mail.

5. Briefly stated, the matter stands thus. Under the arrangements to come in force from the 8th January next, Bombay will for eight months in the year be subjected to the inconvenience of a Monday afternoon despatch of the Overland Mail, while the despatches from Calcutta and Madras will be all that can be desired. Under the alternative proposal now made by the Bombay Chamber of Commerce the interests of Bombay will be served but at the cost of a late Saturday evening despatch from Calcutta and of a Sunday morning despatch from Madras. Any other day of the week would entail a still larger amount of inconvenience on one or more of the three Presidency towns.

6. You argue further "that a Tuesday evening despatch from Bombay will more effectually secure the object so greatly desired by the London merchants, namely, the receipt of Indian mails on Monday," and you proceed to show that, assuming twenty days as the time occupied in the transit of the mail between Bombay and London by the Mont Cenis route, a Monday despatch from Bombay will result in a Sunday arrival at London, "whereas by a Tuesday's despatch from Bombay a Monday's receipt (in London) might be calculated upon with fair regularity; and even if the receipt were to be on Tuesday, it would be still no less convenient for the London merchants." What the London merchants really in my belief require is, not an arrangement under which they would receive their Indian letters generally on a Monday at an unfixed hour, and sometimes on a Tuesday, but the absolute certainty of getting their correspondence from India on arrival in the city on Monday morning. This result can better be secured by a Sunday arrival in London than by a Monday arrival.

7. I have endeavoured to discuss the question on its own merits, and to convince the Chamber that the Monday des-

patch from Bombay, in the fair season, is, in the broad interests of all India, the best arrangement practicable. As already shown, however, the now approaching change was considered fully in all its bearings more than a year ago. The difficulties with which the question was beset were clearly set before the mercantile community of the three Presidency towns, and your Chamber of Commerce acquiesced in the arrangement at which exception is now taken. The question having thus been settled after much deliberation, and this office having committed itself to the expression of a final opinion to the London Post Office, I should require very strong arguments to induce me to re-open the matter by a fresh reference to London.

8. I very much regret the inconvenience entailed on Bombay by a Monday afternoon despatch of the Overland Mail during eight months in the year, but I trust that the Chamber will now admit that it is unavoidable, and that the interests of Bombay have not been lightly considered.—I have, &c.,

F. R. HOGG,
Offg. Director General of the Post Office of India.

BOMBAY CHAMBER OF COMMERCE, 30*th December* 1871.

To F. R. HOGG, Esq., Offg. Director General of the Post Office of India, on Tour.

SIR,—I have the honour to acknowledge the receipt of your letter of 26th instant, from Nagpore, which was immediately submitted to the Committee of the Chamber for their consideration.

In reply, I am to observe that while the Committee recognize the accuracy of your recapitulation of former correspondence on the mail arrangements proposed to take effect on the 8th proximo, they are unable to admit that because they could only express regret at the apparently hopeless prospect of altering the scheme proposed in 1870, this should now be considered a sufficient reason for not objecting to that scheme coming into effect in 1872, when its operation can be shown to result but too probably in causing the gravest inconvenience to the mercantile community of this place in the conduct of their daily business during the eight busiest months of the whole year.

Besides the reasons mentioned in my letter of the 13th instant, another that weighed with the Committee in not objecting more strongly to the proposal to despatch the mail from Bombay in the fair season on Monday evening when the question was first considered, was the dislike felt on their part to propose an arrangement which has no doubt, at first sight, the appearance of consulting the convenience of the merchants of Bombay, at the cost of some inconvenience to their brethren at Calcutta and Madras.

A closer and fuller view, however, of all the circumstances of the case will, the Committee believe, prove to the merchants of the other Presidency towns, that the hardships which the new arrangement will inflict on the merchants here, will be altogether different from the mere inconvenience to which the former will be subjected, by losing their half holiday in consequence of despatch of the mail from Bombay on Tuesday evening.

The method of conducting business in Bombay differs widely from the course followed at the other Presidency towns. Here the principals in firms take the active and leading part in all transactions connected with the purchase and shipment of produce,—in Calcutta this business is mainly conducted through the instrumentality of brokers.

In the cotton season, from January to June, Bombay merchants have to go in person early in the morning to select their cotton, and are often engaged nearly all day in selecting, purchasing, and shipping.

A very large and steadily increasing proportion of Bombay exports is now carried by steam-ships which complete their loading and reach their destination so quickly as to make it an imperative necessity for a merchant to send his bills of lading and other documents by the next outgoing mail after completion of shipment, or his goods would often be ready for delivery in Europe before the shipping documents reached the hands of the consignees.

All the mail steamers, for example, now carry large cargoes of produce, and as these vessels generally begin to load only a few days before the date fixed for their departure, there is unavoidably a great pressure of work just at the close, in order to complete the shipments and have the cost financed for by the mail going by the steamer which also carries the goods.

If the mail close on Monday at 2 P.M., all the banks will refuse to receive bills after 12 noon—or otherwise they could not get through their own work—and as the materials for preparing the bills and other documents for the banks will in most cases be only in the merchants' possession on Saturday at the earliest, on which day the Stamp Office closes at 1 P.M., it is evident that he will be compelled to work on Sunday, in order to get his business done. Many merchants will have to spend at least a couple of hours on the Monday morning in the cotton market before commencing their office work; and with banking business for the mail closing at noon on mail day, it is perfectly clear that merchants so situated must either work on Sunday to get through their business or leave it for the following mail.

The result of all this, then, will be that not only will Sunday be turned into a working day, but owing to the impossibility of getting certain parts of the work done on that day, that must be done, shipments will go forward without complete advices, and thus cause loss as well as serious inconvenience in other respects.

I have further to state, for your information, that as nearly all the important business between Bombay and Europe is now transacted by telegraph, the prompt answering of letters by the return mail is a very minor consideration with merchants, compared with the importance of having their shipping documents sent forward complete in due course,—a thing which, under the new arrangements, would hardly be possible even by working on Sunday.

I must also point out that most of the Bombay merchants prepare market reports of their own, which they forward to their friends and correspondents in Europe by every mail. Some of these market reports are of a very elaborate character, and take up much time in their preparation; they must, as a matter of course, contain the latest information on all points referring to the business of the week, and cannot therefore be got ready till within a few hours of the time fixed for closing the mail,—you will, therefore, readily understand that the work connected with the preparation and printing of these reports will of necessity have to be done on Sunday.

In a word, the new arrangement shortly to take effect, while it will certainly have the effect of turning Sunday

into a regular business day, will even then not enable Bombay merchants to get through their current business with that order and despatch which are the first conditions of all well conducted business.

The Committee of the Chamber cannot believe that when these circumstances are explained to, and well understood by, the mercantile community of Calcutta, the merchants there will refuse to give up a portion of their Saturday half holiday rather than that those of Bombay should have their Sunday made a day of labour instead of a day of rest.

As regards Madras, though the Committee have had no formal correspondence with the Chamber them on this subject, they have reason to believe that a Sunday morning despatch will not be objected to by the Madras merchants, as they will be able to close their business without being put to much inconvenience on Saturday afternoon.

In conclusion, the Committee now leave the matter in your hands, not doubting that on full consideration of all the circumstances set before you in this letter, you will do your best to meet the earnest wishes of the mercantile community of this place, by giving effect, as early as may be practicable, to the proposal that the mail steamer be despatched from Bombay on Tuesday evening at 5½ P.M. instead of Monday.—I have, &c.,

JAMES TAYLOR, Secretary.

CALCUTTA, *8th January* 1872.

From F. R. HOGG, Esquire, Offg Director-General of the Post Offices of India, to the Secretary to the Chamber of Commerce, Bombay.

SIR,—I have the honour to acknowledge the receipt of your letter of the 30th December, relative to the Monday evening despatch from Bombay of the outward Overland Mail, and in reply to observe as follows.

2. The Chamber urge that their assent to the measure in 1870 affords no argument against their present dissent, notwithstanding that the circumstances have not since

altered and that the arguments now adduced might equally have been brought forward when the question was discussed more than a year ago. Were this view admitted, the matter could never be regarded as finally settled, for there would be no guarantee against a subsequent change of opinion on the part of the Chamber even if their present demand was satisfied. It will be in the memory of the Chamber that the present arrangements had their origin in the violent exception raised by them in April 1870, to a Sunday morning despatch from Bombay; and this is, I think, a further reason for not re-opening a question which, after much discussion, both in this country and at home, has now been disposed of.

3. I would wish, however, here to notice the additional reasons advanced by the Chamber in support of their principal ground of exception, viz., the practical conversion of Sunday into a working day for the mercantile community of Bombay. It is stated that all mail steamers carry large cargoes of produce, which unavoidably causes "a great pressure of work just at the close in order to complete the shipments and have the costs financed for the mail going by the steamers which also carry the goods"; and it is argued that "if the mail close on Monday, at 2 P.M., all the Banks will refuse bills after 12 noon," and that consequently the merchants "must either work on Sunday to get through their business or leave it for the following mail." I think I am right in assuming that the proportion of produce carried by the mail contract steamers is insignificant in comparison with that sent by other steam-ships. But whether this assumption be correct or not, I would point out that, regarding Sunday as a *dies non*, the Bombay community will have the same number of working hours under the new time-table as they had under the former service. When the steamers left Bombay on Saturday at. 5½ P.M., the Peninsular and Oriental Company received cargo up to the evening of Friday, and now that the steamers will start at 5½ P.M. on Monday, cargo will not be taken after Saturday evening. The change of day is therefore merely a transfer of the former working hours from Saturday to Monday. It is true that it will now be possible to work on Sunday for the outgoing mail, but Sunday labour will not be compulsory, and the merchants who refuse to attend to business matters on

the Sabbath will not, it seems to me, compete at a disadvantage with the firms who disregard the day of rest. The question resolves itself into a simple matter of arrangement.

4. Great stress is further laid on the market reports furnished by the majority of Bombay merchants to their correspondents in Europe every week, and which it is alleged must now be prepared on Sunday. In these days of constant communication by telegraph I do not understannd how such documents can be used for intelligence. They are useful doubtless for record and reference, but it can scarcely be conceived that with information available of three weeks later date, the European merchant would ever refer to the Bombay market reports should they not to be prepared on the Saturday.

5. When writing my letter from Nagpore of the 26th December, I was not aware of an immediately impending change in the time-table of the Madras Railway Company—a change which will shorten the distance between Madras and Bombay by about 4½ hours, and the practical effect of which will be to advance the Madras Overland Mail despatch to Sunday afternoon—if, in accordance with your proposal, the departure of the steamer from Bombay is postponed to Tuesday evening. This is a result which, after their recently expressed opinions in regard to Sunday labour, will, I am confident, be regarded with disfavour by the Bombay Chamber of Commerce.

6. I am far from denying the extreme inconvenience to any mercantile community of the Monday afternoon closing of an important weekly mail, and personally deplore the necessity which imposes this inconvenience on Bombay. The alternative suggested by your Chamber would not only be very inconvenient to Calcutta, but, as already shown, would entail a Sunday afternoon despatch from Madras. Having regard to these circumstances, I cannot but trust that your Chamber will withdraw their objections and accept the Monday afternoon despatch of the steamer as the arrangement most compatible with the general mercantile interests of the three Presidency towns.—I have, &c.,

F. R. HOGG,
Offg. Director Genl. of the Post Offices of India.

BOMBAY CHAMBER OF COMMERCE, 23*rd Jan.* 1872.

F. R. HOGG, Esq., Officiating Director General of the Post Offices of India, Calcutta.

SIR,—I have the honour to acknowledge the receipt of your letter, No. 4004, dated 8th instant, in answer to the letter from the Chamber, dated 30th ultimo, regarding the serious inconvenience to Bombay of the new mail arrangements, which require the despatch of the mail steamer from this port on Monday evening.

2. In reply I am directed by the Committee to point out that it is not of much importance to discuss, whether the arguments for a change to Tuesday would have been better adduced in October 1870, when the scheme was first proposed, rather than now when it is in force and its extreme inconvenience already begins to be felt. The real points at issue are these :—(1) Are the objections taken to the new arrangement on the part of the mercantile community of Bombay of so serious a character as to require the present plan to be changed for a Tuesday's despatch? and (2) can that change be accomplished without much inconvenience to the other Presidency towns ?—and both points, the Committee are of opinion, may be confidently answered in the affirmative.

3. At the same time I am to ask you to bear in mind that the Chamber did not "assent" to the proposal made in 1870, though the Committee, no doubt, had to submit to what they felt at the time they could not alter.

4. In reference, however, to your remark that "circumstances have not since altered," I have to call your attention to what was briefly pointed out in my letter of 13th December, that not only have circumstances altered, but they may be said to be in all respects the opposite of what they were in October 1870, when the new arrangement was first proposed.

5. It will no doubt be in your recollection that at that time, not only was the Mont Cenis tunnel incomplete, but a large part of France was occupied by German troops, the old and long-established arrangements for the transmission of the mail through France had utterly broken down, a new route through Germany had to be organized, and only within the last few months was it again made possible that the old route through France would be resumed.

6. It was the uncertainty which this state of things

engendered that weighed with the Committee in not objecting more strongly to a proposal which then offered but little probability of carrying out when submitted for consideration some fifteen months ago.

7. You remark, in regard to the change now proposed on behalf of the mercantile community of Bombay, that there "would be no guarantee against a subsequent change of opinion on the part of the Chamber, even if their present demand were satisfied."

8. On this point I have to observe, that in the first place there has been no change of opinion, as on the first announcement of the present arrangement it was stated that it would be very inconvenient, and in the next place it would be unreasonable to expect acquiescence in the continuance of an arrangement which works so unfairly for one of the principal bodies affected thereby, especially when that arrangement may be altered so as to give only a minimum of inconvenience to all interests concerned.

9. You further remark "that it will be in the memory of the Chamber that the present arrangements had their origin in the violent exception raised by them in April 1870 to a Sunday morning despatch from Bombay."

10. In this statement the Committee are unable to concur; they are of opinion that the change in arrangements has without doubt been caused by the necessity for an acceleration of the mail, in the face of improved communication both in India and in Europe, permitting its receipt both here and in England in a shorter time than that fixed by the London Post Office contract with the P. and O. Company in 1867.

11. The exception taken by the Chamber to the Sunday morning despatch of the mail in April 1870 was practically admitted by the Director General to be a very proper exception, seeing he made every exertion to have the arrangement complained of changed; and the Chamber was not slow to recognize thankfully his services to the mercantile community of Bombay, in getting the railway arrangements so timed as to permit of a return to a Saturday afternoon despatch of the mail as before.

12. In reference to your remarks on the additional reasons advanced by the Chamber in support of their principal ground of exception, namely, the practical conversion of Sunday into a working day, I must point out some of the

misapprehensions which these show, on matters that can only be fully understood by those practically conversant with Bombay business.

13. You observe "that regarding Sunday as a *dies non*, the Bombay community will have the same number of working hours under the new time-table as they had under the former service."

14. But to regard Sunday as a *dies non*, when that day is made to precede mail day, is exactly what the circumstances of Bombay trade will not enable the merchants and bankers to do.

15. There is no difficulty whatever in regarding and making Sunday a *dies non* when that day follows mail day, or by two, or three days before or after, as the case may be; the evil we complain of is, the making that day intervene and immediately precede the despatch of the mail in the very thick of business, and, by so intervening, making it a necessity to work on that day to get the business for the mail completed.

16. You will, therefore, readily understand that though the Bombay community will have the same number of working days as before, they entirely object to having the seven days of the week made working days, which is unfortunately the position in which the new arrangements will place them, if not promptly altered.

17. Though the quantity of produce carried by the mail steamers is no doubt small, compared with other available means, it is certainly not insignificant. Much larger steamers are now put on the line by the P. and O. Company, some of which take 2,500 tons of cargo, and the next two mails will be taken by steamers of this carrying capacity.

18. This point, however, is not important. What is important to be borne in mind is, the enormous quantity of produce steadily shipped by other steamers and ships, and the impossibility of getting all documents and advices of weekly shipments completed for despatch by the mail without working on Sunday.

19. In reference to the remarks in my letter of 30th ultimo on the subject of the preparation of market reports, you observe—"in these days of constant communication by telegraph, I do not understand how such documents can be used for intelligence." This remark would apply with equal point to a large part of business correspondence.

20. Such market reports as I referred to are really business letters printed for the common convenience of the merchants and their correspondents, and their prompt receipt by those for whom they are intended is second only in importance to letters dealing with actual business transactions.

21. The telegraph does much, but it does not do everything, either in matters of business or public affairs; and while things remain as they are, there is good reason why these repositories of commercial information should continue to give the latest intelligence available by every mail.

22. In the circumstances already so fully placed before you, the Committee cannot see how you could expect the mercantile community of Bombay to withdraw their objection to an arrangement that will entail upon them so much hardship and inconvenience.

23. To the proposal for a Tuesday evening despatch you offer no objection, but the statement that what we propose "would not only be very inconvenient to Calcutta, but would, as already shown, entail a Sunday afternoon despatch from Madras."

24. As regards Calcutta, the Committee are unable to consider that a Saturday night despatch can be "very inconvenient" to the mercantile community of that place.

25. They would only be in pretty much the same position as Bombay has been for the last three years, and we never complained of the arrangement, for we knew it was the best the Director General had it in his power to make for us.

26. The Committee cannot attach importance to the distinction you formerly drew between a Saturday afternoon and a Saturday night despatch. It is a distinction with a difference too slight to be of consequence.

27. Of course there will always be some persons willing to avail of the mail to the latest moment that a letter can be posted, but otherwise the Committee have good reason to believe that it will be no more an inconvenience to the mercantile community of Calcutta generally to close their mail on Saturday at two or three o'clock in the afternoon than it has been hitherto for Bombay to do so at the latter hour.

28. Much was made of a Saturday half holiday for Calcutta, but the present arrangement deprives Bombay not only of any Saturday half holiday, but makes Sunday a working day besides.

29. In reference to Madras, the mercantile community of Bombay would deeply regret asking for any change of arrangements that would be seriously inconvenient to their brethren in the Southern Presidency town; but from the difference in circumstances, and in the condition of business in the two places, the Committee have reason to believe that the Madras merchants can close their mail on the afternoon of Saturday without being put to much inconvenience.

30. You will no doubt have observed that lately the Indian mail has been delivered on Friday on one occasion, and two or three times on a Saturday, neither of which days can be considered convenient for the London merchants. By despatching the Indian mail from Bombay on Tuesday evening, an arrangement will be made which will answer well for England, and give little inconvenience to any of the Presidency towns in India.

31. The Committee, therefore, earnestly hope you will without further discussion give this question your immediate favourable consideration, with a view to meeting the wishes of the mercantile community of this place with the least possible delay.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 13 of 1872.

BOMBAY CHAMBER OF COMMERCE, 25*th Jan.* 1872.

To A. M. MONTEATH, Esq., Director General of the Post Office of India.

DEAR SIR,—I am desired by the Committee of Management of the Bombay Chamber of Commerce to say that they will be greatly obliged if you can spare time on your arrival here to grant them an interview on the subject of the new Mail arrangements which are most inconvenient and unpopular in consequence of the Monday evening despatch entailing upon us Sunday labour. The Members would be happy to meet you either at the Chamber Office at any hour you may appoint or elsewhere as may be most convenient to you.

On your kindly sending me a line on arrival as to the kind of arrangement that will best suit you, I shall at once intimate the same to the Members of Committee and arrange

for a Meeting.. I take the liberty of writing this note at the request of the Committee, under the impression that you are expected by the Mail that may arrive in the course of a few hours now, and this note, Captain Henry, the Superintendent of the P. and O. Company, and also a Member of our Committee, has kindly undertaken to get placed in your hands on arrival.—I am, &c.,

JAMES TAYLOR, Secretary.

G. P. O., BOMBAY, 27*th Jan.* 1872.

To the SECRETARY, BOMBAY CHAMBER of COMMERCE.

DEAR SIR,—I received last night your note of the 25th and shall gladly meet the Committee as you propose. I shall be in Bombay for a few days and would suggest Tuesday (30th) at 4 P.M., in the Chamber Office as the best place and time of meeting.

If any other time be preferred by the Committee, I shall gladly endeavour to meet their convenience.—Yours faithfully,

A. M. MONTEATH.

A Special Meeting of the Committee of the Bombay Chamber of Commerce was held on Tuesday, at 4 P.M., *to confer with* MR. MONTEATH, *Director-General of the Post Office of India, on the subject of the recent change in Overland Mail arrangements.*

PRESENT:

W. G. Hall, Esq., *Chairman.*
J. K. Bythell, Esq., *Deputy Chairman.*
Captain G. F. Henry.
James Macalister, Esq.
J. A. Forbes, Esq.
H. Dods, Esq.,
James Douglas, Esq.
} Members of the Committee of the Chamber of Commerce.
A. M. Monteath, Esq., *Director General.*
James Taylor, *Secretary to the Chamber.*

Mr. Monteath explained to the Meeting the reasons which

led to the adoption of Monday as the day for the departure of the Mail Steamers from Bombay, and which, in his view, precluded the substitution of the alternative plan proposed by the Chamber. He referred first to the requirements of London as affording a strong ground for the selection of Monday, and observed that in estimating the weight to be attached to the convenience of London, it must be borne in mind that the United Kingdom was not only the country most deeply interested in the Eastern Mail Service, but the largest contributor to its cost.

Of the £450,000 paid as subsidy to the Peninsular and Oriental Company for the Eastern Mail Service (exclusive of the Australian Branch), he remarked that the United Kingdom was charged (for itself and other Colonies for which it paid) with no less than £302,150, or somewhat over two-thirds of the whole amount. Mr. Monteath went on to say that the present arrangement was, he believed, greatly valued by the London merchants as being by far the best adapted to their convenience.

Mr. Hogg, he observed, was quite right in stating (paragraph 6 of his letter of 26th December) that what the London merchants really require "is not an arrangement under which they would receive their Indian letters generally on a Monday at an unfixed hour, and sometimes on a Tuesday, but the absolute certainty of getting their correspondence from India (or rather from the East, including India, China, Australia, &c.,) on arrival in the city on Monday morning." Under the present arrangement, he observed, the Mail is timed to reach London on Monday at 2 A.M.; it *very frequently* arrives in advance of the due date, but *not always;* and if the due date were one day later, the Mail would occasionally not be delivered in London till Tuesday. This, he remarked, would, in his belief, be regarded as a great inconvenience by the London merchants, who are now able to fix Monday with absolute certainty and regularity as the day of the week for the disposal of the Eastern Mail.

2. Mr. Monteath proceeded to say that with the strong element of London convenience in favour of the Monday despatch from Bombay, it was hardly necessary to enter with any very great minuteness into the relative advantages of Monday and Tuesday as respects the convenience of India, the more so as it was obvious that there was much to be said on both sides of the question. He stated that the

great inconvenience to Bombay of a Monday afternoon departure must, in all fairness, be fully admitted, and observed that his attention had recently been drawn to a fact which led him to regard this inconvenience all the more seriously. The fact referred to was, that the Christian mercantile community of Bombay being placed (to an extent unknown in any other Presidency Town) side by side with a large Native community engaged in foreign commerce, and under no restraint on religious grounds as respects Sunday business, would, so long as Sunday immediately preceded the Mail day, have to encounter a disadvantage in the transaction of foreign business, as compared with the Native merchants, which disadvantage, objectionable enough in itself, might become even more objectionable if it formed an inducement to the Christian community to disregard the privileges of their Sabbath.

3. While, however, fully admitting the serious inconvenience caused to Bombay by the Monday afternoon departure of the Mail Steamer, Mr. Monteath said that he could not help observing that the Bombay Chamber had, in his opinion, much under-estimated the inconveniences which would be entailed on the other Presidency Towns by the proposed adoption of a Tuesday departure. The Overland Mail would in that case have to be despatched from Madras on a Sunday afternoon; and making all allowance for the difference of circumstances in Madras, he could not but view a Sunday afternoon despatch of the Overland Mail as a serious consideration to be placed in the opposing scale. And in reference to Calcutta, which under the alternative plan would lose its Saturday half-holiday by the necessity of a Saturday evening despatch of the Overland Mail, Mr. Monteath drew the attention of the Chamber to the marked difference in the estimate recently placed by them on the inconvenience as applied to Calcutta and the estimate previously made by them when (some two years ago) Bombay was subjected to a like inconvenience. Mr. Monteath thought it might lead to a more correct estimation of the inconvenience which Calcutta would suffer under the proposed plan if the former Bombay estimate were kept in view. This estimate, he observed, could be gathered from the following extracts from the Resolution carried at a special general Meeting of Members of the Chamber held in Bombay, on the 11th April 1870, *viz.*—

"That the Members of this Chamber have learned with much surprise the change in the time of departure of the English Mail Steamers from Bombay * * * * involving, as that change does, * * * * *great inconvenience* to the mercantile community in Bombay by extending mail work through the whole of Saturday, and in some instances into Sunday morning, *thus depriving the merchants of Bombay and their clerks of their half-holiday on Saturday afternoon.*

"That the Committee of the Chamber be requested to prepare and lay before Government a respectful, but strong, remonstrance against the change * * * *, *pointing out the special hardship to the mercantile and general community of Bombay in virtually taking away the Saturday half-holiday.*"

4. Summing up, Mr. Monteath said that, putting together in one scale the inconveniences which would be caused to London, Calcutta, and Madras, by the proposed alternative, and in the other scale the inconvenience caused to Bombay by the present arrangement, he adhered to the opinion that Monday had been properly selected, and could hold out no prospect of its being altered to Tuesday.

5. It was thereupon stated by the Committee that they demurred to the estimate placed by Mr. Monteath upon the value attached by London merchants to the present arrangement. They did not doubt that a Monday morning delivery in London of the Eastern Mail was valued, but they contended that this convenience would not practically be interfered with by a postponement to the extent of one day of the due date of arrival of the Mail in London, it being well known that the Mail, with few exceptions, did, under present arrangements, reach London not on a Monday, but on a Sunday, or even earlier, and that when it arrived on a Sunday morning, it simply lay for 24 hours in the London Post Office. The Committee believed that the London merchants, far from incurring inconvenience by a postponement of the due date, would be benefitted, inasmuch as while practically receiving their Eastern Mail on Monday, as formerly, that mail would bring news of one day later date from the East. Such chances of late delivery in London, as might exist under the proposed arrangement, could, the Committee believed, be avoided by increased exertion

on the part of the Peninsular and Oriental Company. Reference was made to the fact that the Time-table shows a stop at Aden of 20 hours on the Homeward voyage, but it was explained that it was owing to this long assumed stay at Aden (allowed to the Company only for exceptional circumstances, such as repairs) that the arrival of the Mail in London was practically so much in advance of the due date, the saving of time in transit being in large measure due to the shortening of the maximum interval of 20 hours allowed at Aden. No further acceleration could therefore be looked for from this source; and the fact of the nominal stay at Aden having only recently been altered from 24 hours to 20 hours, would rather tend to reduce the difference hitherto existing between the due and actual times of arrival in London.

6. Mr. Monteath, while adhering to his previously expressed view respecting the value attached in London to the present arrangement, admitted that if that view were found (as the Committee expected) to be erroneous, and if London convenience was admitted by those representing its interests to be equally well or better served by a postponement of the Homeward Mail service by one day, then the question of the relative convenience to the several Indian Presidency Towns of a Monday or a Tuesday departure of the steamers from Bombay might fairly be made the subject of consideration. It had hitherto, he said, been considered in conjunction with a belief (still entertained by him) that London convenience weighed largely on the same side as Calcutta and Madras convenience, the result being a decision against the Bombay proposal.

7. The Committee thereupon suggested that the point in doubt might be settled by a reference to the Postal Authorities in England, and they proposed to do this by means of a memorial to be submitted through the Director General.

8 Mr. Monteath then proceeded to state that he had found it possible to lessen the present inconvenience to Bombay by having the local Bombay overland mails made up during transit by sea, thus admitting of an extension of the time allowed for posting letters in the General Post Office from 2 P.M. to 4 P.M., with permission to post late letters at the Pier Post Office up to 5 P.M., being just half an hour before the sailing of the vessel. This arrangement, he said, would come into force from the 12th February. It was further stated by Mr. Monteath that if the departure

of the steamer could, with reference to harbour requirements and risks, be safely postponed in the fair weather season (during which season alone the inconvenience lasts) from 5-30 P.M. to say 7-30 P.M., and if the Peninsular and Oriental Company and the Government consented to such an arrangement, it would be possible to give a corresponding extension of time for posting letters, the General Post Office receiving them up to 6 P.M., and the Pier Post Office taking late letters up to 7 P.M. Captain Henry agreed to make enquiries on the subject and to communicate the result to Mr. Monteath.

JAMES TAYLOR,
Secretary, Bombay Chamber of Commerce.

A. M. MONTEATH,
Director General of the Post Office of India.

CALCUTTA, 16*th February* 1872.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—Referring to para. 29 of your letter to Mr. Hogg, dated 23rd January last, in which, adverting to the Sunday afternoon despatch of the Overland Mail from Madras which would result from the alteration of the mail service proposed by your Chamber, you stated that "the Committee have reason to believe that the Madras merchants can close their mails on the afternoon of Saturday without being put to much inconvenience," I have the honour to forward, for the information of the Chamber, the accompanying extract, paras. 1 to 3 inclusive, of a letter on the subject, dated 7th instant, from the Chairman of the Madras Chamber of Commerce, in which, as will be observed, a very different view of the matter is expressed.—I have, &c.,

A. M. MONTEATH,
Director General of the Post Office of India.

Extract from a letter from the Chairman of the Chamber of Commerce, Madras, to the Director General of the Post Office of India, dated 7th February 1872.

Para. 1. I have the honour to acknowledge the receipt of your letter under date the 29th ultimo, in which you are so good as to invite an expression of the Chamber's opinion on the proposal that has been made to you by the

Bombay Chamber of Commerce for altering the day of departure of the mail steamer from Bombay, from Monday to Tuesday evening, though such a change would necessitate a Sunday afternoon despatch from Madras during eight months in the year.

2. The statement of the Bombay Chamber that they "have reason to believe that the Madras merchants can close their mail on the afternoon of Saturday without being put to much inconvenience," in event of the English mail being despatched on Sunday afternoon, is an assumption which has no foundation in fact, and is contrary even to probability. The desire of the Bombay merchants to strengthen their case has led them to represent Madras merchants as being unlike merchants in other parts of the world; and it is a matter for regret and surprise that that Chamber have seen fit to employ so extremely fallacious an argument as that under notice, in support of their representations.

3. I need hardly state that all the inconveniences attaching to a Monday afternoon closing of the mail of which the Bombay Chamber complain, would be intensified to Madras merchants by the closing of the mail on Sunday afternoon, which not only would deprive us of our Saturday half-holiday, but would absolutely necessitate attendance at office during the greater part of Sunday. The objection expressed to a Monday evening mail by the Bombay Chamber may be a reasonable one, though that objection would not be entertained in Madras under similar circumstances. But it would be most unfair to make Madras merchants forego a full day's rest, for no stronger reason than that the Bombay merchants may have two whole days instead of one whole day wherein to close their letters. This Chamber would be glad to know that the new mail arrangements are as agreeable to Bombay merchants as they are to the merchants of Madras; but as no arrangement is possible that will prove equally acceptable to the three Presidencial capitals, they believe that in the time-table just introduced the inconveniences attendant upon the despatch of the mails on three different days from those centres of trade, have been reduced to a minimum.

(True Extract.)

Head Clerk to the Dir. Genl. of the Post Office of India.

No. 44 of 1872.

BOMBAY CHAMBER of COMMERCE, 22*nd Feb.* 1872.

A. M. MONTEATH, Esq., Director General of the Indian Post Office, Calcutta.

SIR,—I am directed to acknowledge, with the thanks of the Committee of the Chamber, the receipt of your letter No. 4691, dated 16th instant, handing extract from a letter to you from the Chairman of the Madras Chamber on the subject of the inconvenience of a Sunday afternoon despatch of the mail from Madras in the event of the day being changed at Bombay from Monday to Tuesday.

In reply I am to state for your information that the Members of this Chamber are quite at one with the merchants of Madras on the point that a Sunday afternoon despatch must be an inconvenience, generally, but especially so where mercantile interests are concerned, and the Committee in their correspondence have not contended for the contrary.

What the Committee have asserted, and what they still hold to, is that even if there must be a Sunday afternoon despatch from Madras the merchants there can manage to finish their mail work on Saturday, and that we cannot complete our work here under the present arrangement, without working on Sunday. The Committee do not state this much, without knowledge of Madras business, and the system under which it is conducted.

There is the question of a Saturday half holiday at Madras; but then we have none here, besides being now subjected to the evil of having to make Sunday a day of labour.

It is a case of inconvenience all round as regards the Presidency Towns, and the question seems to be, how the present arrangement can be changed so that each Presidency town may be put to as little inconvenience as possible?

The mercantile community of Madras is not so large as that of this place, and the work of the merchants there is never so arduous as that of the Bombay merchants during the cotton season. The trade of Madras is doubtless important, but it is small compared with that of Bombay, and it cannot with fairness be contended that the larger interests should be put to serious inconvenience, in order that the smaller may be put to very little.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 42 of 1872.

BOMBAY CHAMBER OF COMMERCE, *20th Feb.* 1872.

A. M. MONTEATH, Esq., Director General of the Post Office of India, Calcutta.

SIR,—I have now the honour by direction of the Committee of Management of this Chamber to forward herewith a memorial from the Chamber to Her Majesty's Postmaster General praying that the arrangement for the despatch of the Overland Mail steamer from Bombay on Monday evening be changed to Tuesday, and I am desired to request the favour of your kindly transmitting the same at your earliest convenience with such expression of your views favourable to the memorial as you may feel able to offer.—I have, &c.,

JAMES TAYLOR, Secretary.

To the Right Hon'ble WILLIAM MONSELL, M. P., Her Majesty's Post Master General, London.

The Memorial of the Members of the Bombay Chamber of Commerce.

RESPECTFULLY SHEWETH,—That the Director General of the Post Office of India, in concert with Her Majesty's Post Master General, London, has made a new arrangement for the despatch of the Indian mail to England, whereby the mail steamer is required to leave Bombay on the evening of Monday, instead of Saturday, as was previously the case, and that this new arrangement came into force on Monday, the 8th January last.

2. That the causes of this alteration are stated to be the completion of the Mont Cenis tunnel, and the recurrence to the former mail route through France, whereby the Postal authorities are enabled to accelerate the transit of the Indian mail between Bombay and London by about two days.

3. That the arrangement requiring the despatch of the mail from Bombay on Monday evening causes serious inconvenience to the mercantile community of this place, inasmuch as that owing to Sunday intervening and immediately preceding mail day, it is virtually impossible for Bombay

merchants and bankers to complete their mail business without working on Sunday.

4. That your memorialists are of opinion the Government authorities, both in this country and in England, would alike deprecate the infliction on the mercantile community of Bombay of a hardship so repugnant to every Christian feeling as that of making it necessary for them to work on Sunday, in order that they may be enabled to complete their mail business with due order and despatch.

5. That your memorialists are of opinion, the hardship they complain of on the part of the entire mercantile and banking community of Bombay may be avoided by despatching the mail from this place on Tuesday evening, instead of Monday, and that this change could be made without much inconvenience to any interest concerned either in India or in England.

6. That as regards this country, the only reasons offered by the Director General, against what your memorialists propose, are, that a change to a Tuesday evening despatch from Bombay would be very inconvenient to Calcutta by necessitating a Saturday evening despatch from that place, and entail a Sunday afternoon despatch from Madras.

7. That as regards Calcutta, your memorialists are unable to consider a Saturday evening despatch as an inconvenience to be set against the serious evil of having to work on Sunday, of which the Bombay community have to complain.

8. That by a Saturday evening despatch from Calcutta at 8 or 9 P M. for an after-packet, the mercantile community of that place would be not practically worse off than Bombay was with an after-packet despatch on Saturday evening at 5 P.M., an arrangement which lasted more than three years, and of which Bombay did not complain.

9. That your memorialists cannot attach importance to the difference in time at which letters are permitted to be posted, as between 5 P.M. or 8 or 9 P.M. on Saturday,—for in either case any holiday on mail day is made to a great extent impracticable;—but under the new arrangement Bombay is not only deprived of a Saturday half-holiday, but has its Sunday turned into a working day besides.

10. That, in reference to Madras, while your memorialists deeply regret that a Sunday afternoon despatch should be made necessary by the change which they purpose, they

have, at the same time, good reason to believe that such a despatch will not injuriously affect the mercantile community of that place, as owing to the difference in the circumstances under which business is conducted in the two places, Madras merchants can close their mail on Saturday afternoon without much inconvenience.

11. That as regards the receipt of the Indian mail in England, your memorialists understand that much importance is attached by the London merchants to its regular delivery there on Monday morning. On this point, however, your memorialists desire to observe that the receipt of the mail in London of late has been occasionally on Friday or Saturday, though more usually on Sunday. That when the present arrangements for the transmission of the mail *vid* Brindisi, Mont Cenis, and through France *vid* Calais are perfected, there can be little doubt it will reach London in twenty days, and by despatching the mail steamer from Bombay on Tuesday evening, the mail would still be delivered in London on Monday, while it would also bring commercial and public intelligence of one day's later date.

12. That your memorialists believe that even in the event of the Indian mail being delivered occasionally in the course of Monday afternoon or Tuesday morning in London, in consequence of a Tuesday evening despatch from Bombay, the London merchants would willingly consent to such an arrangement, rather than that the merchants and bankers of Bombay should be under the necessity of working on Sunday, in order to get through their mail work.

13. Your memorialists therefore trust you will be pleased to take this matter into your early and favourable consideration, and arrange with the Director General of the Indian Post Office for a Tuesday evening despatch of the mail from Bombay during the fair season.

And your Memorialists will ever pray.

By order, and on behalf of the Members of the Bombay Chamber of Commerce,

W. G. HALL, Chairman.

JAMES TAYLOR, Secretary.

Bombay Chamber of Commerce, 21*st February* 1872.

cc 41

CALCUTTA, *21st March* 1872.

To the SECRETARY, General Post Office, London.

SIR,—The accompanying memorial* from the Bombay Chamber of Commerce to Her Majesty's Post Master General having been transmitted to me by the Chamber with a request that I would forward it, I have now the honour to do so and to offer the following remarks.

* Original as well as printed copy enclosed.

2. The circumstances giving rise to the memorial will be found described in the accompanying printed copy of the minutes of a meeting of the Committee of the Chamber held on the 30th January last at which I was present.

3. Under the present timing of the departure of the P. and O. Company's mail steamers from Bombay, viz. Monday at 7 P.M., in the fair weather season, and Friday at 5-30 P.M. in the monsoon season, the mails are closed at the three Presidency Post Offices as follows :—

	Fair weather 7 months.	Monsoon 5 months.
Calcutta	Friday 6 P.M.	Tuesday 6 P.M.
Madras	Saturday 1-45 P.M.	Wednesday 1-45 P.M.
Bombay	Monday 5-30 P.M.	Friday 4 P.M.
	Late letters being received at Pier Post Office up to 6-30 P.M	Late letters being received at Pier Post Office up to 5 P.M.

4. The representation made by the Chamber of Commerce has reference to the inconvenience caused to the Bombay mercantile community by a Monday evening's despatch, which gives rise as they observe to a considerable amount of Sunday labour in commercial houses. As you will see from the second paragraph of the minutes above referred to, I fully admit the reality and gravity of this inconvenience, the only question being whether its removal by a postponement of the steamer's departure by one day would not give rise to an equal or greater inconvenience elsewhere.

5. From paragraph 4 of the minutes it will be observed that I considered that on the whole the reasons for adhering to present arrangements preponderated; but I did so on the assumption that I had estimated rightly (paragraph 1

of minutes) the value attached by the public at home to present arrangements as respects the receipt of the Eastern mail in London. If my estimate was wrong in this respect the subject will obviously have to be considered from a different stand-point.

6. I should feel much obliged by your letting me know as fully as you can in what way and to what extent London convenience would be affected by the change proposed by the Bombay Chamber.—I have, &c.,

A. M. MONTEATH,
Director General of the Post Office of India.

No. 5462.

Copy forwarded for information to the Secretary, Bombay Chamber of Commerce. A printed copy of the minutes of the January meeting referred to above is also forwarded.

A. M. MONTEATH,
Director General of the Post Office of India.

Calcutta, 21*st March* 1872.

CALCUTTA, 21*st March* 1872.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—In continuation of my telegram dated the 17th February last, relative to a postponement of the hour for posting registered letters for transmission by the Overland mail, I have the honour to forward for the information of the Chamber copy of a communication No. 2087, dated the 5th March, from the Post Master of Bombay, together with copy of its enclosure, and to observe that under the circumstances represented I do not see my way to cause any further postponement. I had thought that a transfer of some of the registration duties to the Marine Postal Establishment on board might make a further postponement possible, but from the communication now forwarded it would appear that this would not be the case.—I have, &c.,

A. M. MONTEATH,
Director General of the Post Office of India.

BOMBAY GENERAL POST OFFICE, *5th March* 1872.

To F. R. HOGG, Esq., Deputy Director General of the Post Office in India, Calcutta.

SIR,—I beg to acknowledge the receipt of your docket No. 4313, of the 22nd ultimo, forwarding copy of your letter to the Post Master-General of Bombay, requesting that the hour for receiving registered letters for the Overland Mail may be further extended.

I solicit your perusal and consideration of a report (copy attached) on the above subject, that I had previous to the receipt of your docket under reply addressed to the Post Master General, Bombay. I have since for two mails personally watched the progress of work in the Registration Branch and fully considered in what manner it would be feasible to carry out the desired measure, but the difficulties already explained put themselves forward prominently to thwart any arrangement that may be conceived.

The forms laid down in the rule for the treatment of inland registered letters are not followed out in respect to registered letters for the Overland Mail. These are sent forward entered in lists, and a duplicate of the lists is obtained for record by the use of carbonic paper. Fifteen such lists have to be prepared for each mail, corresponding with the divisions of work. To introduce the plan of making over the registered letters in bulk to the Sea Post Office entered in one list, appears therefore at first mention of it, as one that will curtail the work at the General Post Office, and thus admit of letters being received later; but looking into the practical effect of the measure there does not arise much hope of either considerable reduction of labour, or of saving of time, and for these reasons, the addresses of the letters instead of appearing in fifteen different lists will be entered in one list, and in successive sheets, but that will not reduce the work even by one entry. There will, however, arise saving of labour and time in taking weights and in making up the accounts finally, but as a set-off to that saving should be considered, the time that will be occupied by the mail officers, when taking over charge of the letters, in comparing addresses of each with the entry in the list, before an acknowledgment can be passed, calculating for 550, which is the average number. Under such doubtful advantage, therefore, in point of time to be saved, I respect-

fully beg to submit that it would not be expedient to lessen the present protection and safety of the letters, by allowing them to pass through additional processes and hands before reaching their destination.

In conclusion, I beg to remark that the existing time for receiving registered letters appears to meet the requirements of the mercantile community, for applications are very seldom made, after the hour, to register a cover, and no urgency is expressed to get its admittance for the Mail.—I have, &c.,

C. A. STUART, Post Master.

BOMBAY GENERAL POST OFFICE, *19th February* 1872.

To the POST MASTER GENERAL, Bombay.

SIR,—In answer to your No. 2651 of the 17th instant, I have the honour to state that the latest hour up to which it will now be practicable to receive registered letters for the Overland Mail is 2 P.M., and I most earnestly beg that no further extension will be ordered.

When receiving such letters up to 1 P.M., it was with the greatest difficulty that the registered letter mail was got ready by 4-30 P.M., and it has several times been later when the final tally and check went wrong, owing to hurried preparation of the lists. Postponing the time to one hour longer will delay the completion to 5-30 P.M. The badly lighted room becomes dark at that hour, and as the space in which the clerks work is very cramped, risk of mistakes and possibly of letters being overlooked will be increased.

An inspection of the registration clerk's enclosure, and the appliances given them, will lead to an understanding of the difficulties which beset them in carrying on their duties. The confined space and miniature apparatus hampers them in carrying out the various processes, in preparing the many documents required, and consequently celerity of work with accuracy is not to be expected. To these it is not desirable to add the danger to the safe disposal of their work by making them go through the last portion of it, the most important, by dim oil light. I would, therefore, deprecate a further extension of the hour.—I have, &c.,

C. A. STUART, Post Master.

No. 101 of 1872.

BOMBAY CHAMBER OF COMMERCE, *8th April* 1872.

A. M. MONTEATH, Esq., Director General of the Post Office of India, Calcutta.

SIR,—I have the honour to acknowledge the receipt of your Nos. 5460 and 5461 of 21st ultimo, forwarding copy of your letter to Her Majesty's Post Master General transmitting the memorial of this Chamber, for a Tuesday evening despatch of the mail from Bombay to London, and also copy of letter from the Post Master, Bombay, on the subject of the postponement of the hour for posting registered letters on mail day, and I am to express the acknowledgments of the Committee for your courtesy in sending copies of these communications.

The Committee desire me to point out that since they had the pleasure of meeting with you here, the delivery of every Indian mail since, on Monday morning in London, shows clearly that their proposal is quite consistent with such a delivery, as it is well known that the mail is received generally on Sunday in London and occasionally on Saturday, and with the acceleration of the mail through France that will shortly be arranged, there seems no reason to doubt that the mail will be regularly delivered in London in 19 days without difficulty, if not a day earlier.

In regard to the registered letters under the present arrangement, we have informed the Post Master General that if he can manage to allow the receipt of registered letters to 3 P.M. on mail day, it will be a great convenience to merchants and bankers.—I have, &c.,

JAMES TAYLOR, Secretary.

POST MASTER GENERAL'S CAMP, *9th March* 1872.

To the SECRETARY of the CHAMBER of COMMERCE, Bombay.

SIR,—I should be obliged by your letting me know, if it is a matter of any great moment to the mercantile community of Bombay that the hour for posting registered letters be extended, say for one hour. If it is, I shall try to arrange the matter, but cannot promise to do so.—I have, &c.,

J. MACFARLAN,
Officiating Post Master General.

No. 89 of 1872.

BOMBAY CHAMBER of COMMERCE, *23rd March* 1872.

J. MACFARLAN, Esq., Post Master General, Bombay.

SIR,—In reply to your letter of the 9th instant, I am directed by the Committee of Management of the Chamber to say that it would be a great convenience to the merchants and bankers if they were permitted to post registered letters up to 3 P.M. on mail day. At present by being required to close registered letters and to send them to the Post Office by 2 P.M., they are prevented from availing of the privilege of registering many important letters which otherwise they would be most thankful to have forwarded under registration.—I have, &c.,

JAMES TAYLOR, Secretary.

BOMBAY, POST MASTER GENERAL'S OFFICE, *17th April* 1872.

To the SECRETARY CHAMBER OF COMMERCE, Bombay.

SIR,—Referring to your letter dated 23rd March 1872, I beg to send copy of a letter from the Post Master, Bombay, to my address, and regret that under the circumstances stated I cannot press Mr. Stuart further to extend the hour for the reception of registered letters.—I have, &c.,

J. MACFARLAN,
Offg. Post Master General.

No. 4477 of 1872.

BOMBAY GENERAL POST OFFICE, *13th April* 1872.

To the POST MASTER GENERAL, Bombay.

SIR,—Adverting to your docket of the 27th ultimo, No. 5055, transmitting copy of a communication from the Chamber of Commerce, wherein a desire is expressed that the hour for registering Overland Mail letters may be extended, I have the honour to state that I have fully considered how

it would be possible to carry out the measure, under the difficulties presented in my reports marginally noted,* but I regret very much that I can see no way of overcoming them consistently with safety of the registered letters, and with my responsibility in the matter.

*No. 1504 of 19th February 1872.
No. 2088 of 5th March 1872.

2. The reception of registered letters up to to the present hour (2 P.M.) is carried out only with effort, the establishment having to give its attention to preparing for disposal the registered letters, books, and samples received from all parts of India at the same time as they are being here taken in. Two clerks were found unequal to the work, so a third, taken away from less important duties, was put on to assist, not without, however, causing pressure in another branch of mail work. Confined space, and the want of proper appliances, also impede the dispatch of business, and to put further pressure on clerks so circumstanced would only ensure the commission of errors which may have serious effects.

3. I have given full attention to the suggestion for making over the registered letters to the mail officers in batches as a sheet of addresses is filled in. To effect this mail officers' attendance will be required from 10 A.M. to 5 P.M., taking his seat near to the registration clerks. In the first place the mail officers cannot so entirely spare the last day of their stay, as they then collect and take stock of stores, and take copies of orders and prepare other documents connected with their work, and secondly, there is in reality no square foot of space available where a desk could be placed for the mail officer in the Overland mail room. Further, letters transferred as they are received from the mofussil and at the window must lie under very slender protection, and I apprehend that in thus passing from hand to hand in a crowded room with many people moving about, loss will occur.

4. I beg therefore that the question of extending the time may for the present be dropped, to be taken up after the office moves into the new building.—I have, &c.,

C. A. STUART, Post Master.

[True Copy]

J. MacFARLAN, Offg. Post Master General.

No. 123 of 1872.

BOMBAY CHAMBER OF COMMERCE, *27th April* 1872.

J. MACFARLAN, Esq., Post Master General, Bombay.

SIR,—I am directed to acknowledge the receipt of your No. 6155 of 1872, dated 17th instant, handing copy of a letter from the Post Master, Bombay, explaining the grounds on which he is unable to meet the wishes of the Chamber, to have the time for receiving registered letters on mail day extended to 3 P.M.

In reply I am to express the hopes of the Committee that you may be able to meet the views of the mercantile and banking community on this point as soon as the Post Office establishment is removed to the new building.

I am also to suggest for your and Mr. Stuart's consideration, whether by the introduction into the Post Office establishment of some of the modern appliances used for making copies of all kinds of writing, the labour of copying might not be greatly reduced and thus give time for the receipt at the Post Office of registered letters up to a much later hour than you are able to allow at present.—I have, &c.

JAMES TAYLOR, Secretary.

To the POST MASTER GENERAL, Bombay.

Reply to No. 7668, of the 9th instant.

The appliance referred to by the Chamber of Commerce is doubtless carbonic paper. That has been for a long time in use in preparing duplicate lists or invoices of Registered Letters sent in the United Kingdom and Colonial mails, and were it not for that appliance, the establishment would be just double the time over the work of closing the mail than it is now.

There is no contrivance for expediting work that has not been adopted; but there are so many formalities that have to be gone through with each Registered Letter, so many documents to be filled in, that much time is necessarily required in preparing the letters for despatch.

C. A. STUART, Post Master.

No. 8378 of 1872.

BOMBAY, POST MASTER GENERAL'S CAMP, *22nd May* 1872.

Copy forwarded to the Secretary Bombay Chamber of Commerce in reference to last para. of his No. 123, dated 27th April 1872, for information.

J. MACFARLAN, Offg. Post Master General.

SIMLA, *5th June* 1872.

From A. M. MONTEATH, Esq., Director General of the Post Office of India, to the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—Referring to my communication, No. 5462, dated 20th March 1872, I have the honour to forward, for the information of the Chamber, copy of a letter from the Secretary, General Post Office, London, No. 223x, dated the 1st May, from which it will be seen that Her Majesty's Post Master General feels himself unable to comply with the wish expressed in the Chamber's Memorial for a postponement of the Overland Mail day.

2. I need hardly assure the Chamber of my regret that arrangements made for the best interests of the Eastern Mail service generally should involve hardship to the Bombay community. It is a hardship which I fully admit, and which it would have given me much satisfaction to remove; but looking to the preponderance of the interests on the part of the United Kingdom and of Madras, and to some extent also of Calcutta, I can see no present way of removing it.—I have, &c.

A. M. MONTEATH,
Director General of the Post Office of India.

GENERAL POST OFFICE, LONDON, *1st May* 1872.

SIR,—I have laid before the Post Master General your letter of the 21st March last, No. 5461, with the Memorial from the Chamber of Commerce of Bombay, remonstrating against the despatch of the English Mails from Bombay on the evening of Monday, and suggesting that the despatch should be deferred until the evening of Tuesday.

The Post Master General has, at the same time, had under consideration a letter from the Chairman of the Chamber of Commerce of Madras, showing how injuriously the

suggested change would operate on the mercantile community of Madras, who would thus have Sunday for their English Mail day, instead of Saturday, as at present.

In reference to the Memorial, I am to observe that the present arrangements for despatching the Homeward Mails from Bombay were made so lately as the beginning of this year, when the Overland Mails were for the first time forwarded by way of Mont Cenis.

The new Time Table was, as regards the Homeward Service, prepared with special regard to the convenience of the three Presidential Cities of India, and the days for despatching the packets from Bombay were so regulated that neither during the monsoon months, nor during the rest of the year, should there be a despatch of English letters on Sunday from Calcutta, Madras, or Bombay.

But, irrespective of the injurious effect as regards Madras, and of the objection to the entire re-construction of the Time Table (for, if the day of despatch from Bombay be altered, corresponding alterations must be made in the days of despatch from Shanghai and Sydney), the later departure from Bombay and the consequent later arrival of the mails would act very prejudicially in this country.

With only two exceptions, the Indian Mails have reached England, since the new Time Table came into operation, on Sunday morning or evening, and the letters have been delivered, not only in London, but also in Manchester, Liverpool, and Glasgow, on Monday morning.

The interval between Monday and Friday, when the outward Mail is despatched, is not any too long for correspondence in London, but the convenience of London is not the only point to be considered.

The great advantage of the present scheme is that it affords a simultaneous delivery of Indian letters all over the country, and this advantage would be lost by the change suggested.

For these reasons the Post Master General feels himself quite unable to comply with the wishes of the Memorialists, and he requests that you will be good enough to inform them accordingly.—I have, &c,

JOHN FILLEY.

(True Copy.)

RAJ HUSH HOLDAR,
Hd. Clerk to the Dir. Genl. of the P. O. of India.

APPENDIX Q.

EXTENSION OF THE PATTERN POST TO VARIOUS STATES IN EUROPE.

No. 157 of 1872.

BOMBAY CHAMBER OF COMMERCE, 15*th June* 1872.

J. MACFARLAN, Esq., Post Master General, Bombay.

SIR,—It has been brought to the notice of the Committee of the Chamber that to the countries mentioned below no pattern packet weighing more than 8 oz. can be sent.

I am desired to state for your information that within the last three years there has been a rapid development in the direct trade in Cotton between Bombay and certain of the Continental States of Europe, especially those marked thus* in the list subjoined.

Where this trade exists it is necessary to send samples of cotton, and a sample that does not weigh more than 8 oz. is of very little use.

The Committee of the Chamber will be obliged by your taking this matter into consideration in the interests of the commerce of Bombay, and doing what you can to have the present rules altered so as to permit of samples weighing from two to three lbs. being transmitted.—I have, &c.,

JAMES TAYLOR, Secretary.

* Austria.	Holland.	* Russia.
Belgium.	* Italy.	Sweden.
Denmark.	Norway.	* Switzerland.
* German States.	Poland.	Turkey.

28*th June* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I beg to inform you that the matter being be-

yond my province, I have forwarded your letter of the 15th instant for the orders of the Director General of the Post Office. Any alteration that may be made can only be made by an alteration of the terms of the Postal conventions with the different countries named in the list accompanying your letter, and I need not add that it will take time to make new arrangements.

2. It would probably facilitate matters if the correspondents of Bombay firms in those countries were to make representations to their Governments similar to that now made by the Chamber.—I have, &c.,

J. MACFARLAN,
Offg. Post Master General.

BOMBAY POST MASTER GENERAL'S CAMP, *25th Sept.* 1872.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—In continuation of this office No. 10574, dated 28th June last, I have the pleasure to forward for your information copy of the Director General's letter No. 3209 of the 18th instant.—I have, &c.,

J. MACFARLAN,
Offg. Post Master General, Bombay.

No. 3209.

SIMLA, *18th September* 1872.

To the OFFICIATING POST MASTER GENERAL, Bombay.

SIR,—When your letter of the 28th June, No. 497, reached me, steps had already been taken for revising the limitations of weight of pattern packets for places abroad in accordance with alterations observed in the relations of the different countries with England.

2. You will receive separately a copy of a Notification now under issue on the subject. I am sorry that the limit of 8 oz. has to be maintained for so many of the countries mentioned by the Chamber, but I have addressed the English Post Office on the subject, asking it to endeavour to obtain

some more concessions in respect of limits of weight for samples generally, or, at any rate, for samples of cotton.

3. Of the list of countries given by the Bombay Chamber of Commerce, the following are now set down with higher limits of weight as shewn below :—

Denmark through Italy	3 lbs.	
Holland do.	5 lbs.	
Italy	5 lbs.	
Norway through Italy	3 lbs.	
Sweden do.	3 lbs.	
Switzerland do.	5 lbs.	
French Offices in Turkey, &c., through French P. O., Alexandria	5 lbs.	Only partial prepayment can be made by this route.
Constantinople	5 lbs.	

4. The following countries have the old limits of 8 oz., viz :—

Austria	Poland.
Belgium.	Russia.
German States.	Austrian Offices in Turkey.

5. The result of my reference to London will in due course be communicated to you. In anticipation of the receipt of the notification you may allow the Bombay Post Office and the Marine Post Office to act upon this letter by admitting pattern packets up to the limits specified.—I have, &c.,

A. M. MONTEATH,
Director General of the Post Office of India.

APPENDIX R.

PROPOSED RAILWAY FROM CARWAR TO GUDDUK.

BOMBAY CASTLE, 21*st November* 1871.

To the SECRETARY to the GOVERNMENT of INDIA.

SIR,—I am directed to transmit to the Government of India plans, estimates, reports in connection with the proposed Railway from Carwar to Gudduk. These papers give full information as regards cost, grades, curves, comparative length, &c. It will be seen that the cost of the line from Gudduk to Carwar is estimated at Rs. 84,18,583, being an average of Rs. 58,186 per mile, including rolling stock, and compensation for land, but that the position of the station in Carwar is left unsettled; and that the estimate does not provide for some minor works and improvements in the location and gradients of the line. The addition of the cost of these supplementary works, together with an allowance for insufficiency, in a few instances, of rates and quantities, will increase the estimate for the Carwar Railway to about 90 lakhs, or Rs. 69,000 a mile; adding 10 lakhs for the improvements to the port of Carwar, which will be necessary if it becomes the terminus of the Railway, the outlay on the complete projects will amount proximately to to a million sterling.

2. The project, as now submitted, contrasts very favourably, as regards probable outlay, as well as in other respects, with that prepared by Mr. Buchanan in 1869, and the estimate for such a work, over such a country, cannot but be considered very moderate, while, on the other hand, it seems to have been framed on covering rates.

3. Assuming that the railway from Gudduk to Carwar alone is made, it is shown by Colonel Trevor, in his report No. 2781 A., dated 29th September 1869, that the total bulk of the through goods traffic between Carwar and the

Southern Mahratta Country, allowing for development of trade, will be approximately 85,000 tons per annum, of which about 60,000 tons would consist of exports (including 35,000 tons of cotton), and 25,000 tons of imports. The average mileage of this traffic, measured from a point half way between Hooblee and Gudduk, would be (say) 125 miles, and it would probably bear an average rate of 2 annas per ton per mile. The gross earnings from this scource may, at this rate, be put down at $\frac{\text{Rs. } 85{,}000 \times 125}{8}$ = Rs. 13,28,125, or Rs. 9,180 per mile per annum.

4. The local goods traffic will be small; there will be some timber and firewood to offer from the Canara jungles, both up and down, and some interchange of commodities between the towns above the ghauts; but the total earnings from goods on the entire line will be about Rs. 10,000 per mile per annum, and, compared with other railways, this is a high figure. Adding Rs. 3,000 per mile for passengers and miscellaneous traffic, the total annual receipts from all sources work out Rs. 18,80,097, or nearly the same as the amount given by Mr. Forde, which has also been calculated from Colonel Trevor's figures in a somewhat different manner.

5. Mr. Forde has, however, it is thought, under-estimated the cost of working. The expenses of the Railways in this Presidency average from Rs. 4 to 5 per train mile, not 1½ rupees, as estimated by Mr. Forde. That sum is not much in excess of the average charge of the Locomotive Department alone.

6. Making all due allowances for the differences in the composition of trains, made up, as Mr. Forde proposes, with narrow gauge stock, but also bearing in mind the heavy character of the line as regards grades, &c., it will not perhaps be greatly beyond the mark to allow Rs. 3 per train mile for the cost of working on the Carwar line. According to Mr. Forde's figures, this would bring up the working expenses to Rs. 10,29,838, or 55 per cent. of the earnings, and the profit would be about 7½ lakhs per annum, or 8⅓ per cent. on a capital of 90 lakhs. This is probably much nearer the true figure than Mr. Forde's estimate of 16 per cent., and is a result that would fully justify the execution of the line.

7. It must be borne in mind, however, that the above profit of 8⅓ per cent. has been worked out on a maximum

traffic. For the first few years after the line is opened, the profit would, no doubt, fall short of this sum, but there is reason to believe that the line from Gudduk to Carwar, if no other line is constructed to compete with it, would pay 5 or 6 per cent. from the commencement, more especially if its construction is found to justify the calculations that have been made; and that it will strongly stimulate the movement that is already partially in progress, as regards the transfer of the trade from the neighbouring ports of Compta and Vingorla to Carwar.

8. That such a transfer would eventually take place there can be little doubt; but experience has shown, in other cases, that it is very difficult to alter long established channels of trade, and that the process is slow, especially in India, where deeply rooted local prejudices have to be contended with.

9. In the remarks of Mr. Forde on the probable effect of a railway on the assessment of the neighbouring districts, His Excellency, I am desired to say, concurs so far that he is advised that the early construction of such a line would justify an increase of the rates on the re-settlement of the district now about to be made, though not, perhaps, to the extent that it is contemplated by Mr. Forde. That this is an important consideration, and one which should not be lost sight of, is apparent from the accompanying letter from Colonel Anderson, Survey and Settlement Commissioner, Southern Division, who calculates that a speedy commencement of this railway would justify an increase of rates, amounting, in the aggregate, to 1½ lakhs per annum.

10. On the whole, therefore, it seems to this Government a good case has been made out in favour of this line, and that sufficient data is now before the Government of India to enable them to obtain the permission of the Secretary of State to make an early commencement of the work. As regards the conflicting claim of a line from Dharwar cotton districts to Sholapoor, it does not seem to this Government that the question need at present be considered. The Carwar line is projected as the terminal portion of the narrow gauge system which is intended to serve this part of India, and it is an object to establish, if possible, Carwar as an independent port of import and export; and though it may hereafter be advisable to connect the Dharwar narrow gauge system with the Great Indian Peninsula at or about

Sholapoor, such a scheme does not now seem needed in supersession of the line for which a project is now forwarded.

11. This Government concur generally in Mr. Forde's proposals for working the line, and they agree with him that a special establishment, and a special class of engines, are not required for working the ghauts.

12. A memorandum, written by Captain Hancock, on the route from Gudduk to Bellary, is appended.

13. In conclusion, I am to observe that, should the Government of India consider the results now reported to be sufficiently favourable to justify the immediate commencement of the work, this Government will be glad to receive instructions to that effect, otherwise a season may be lost; but, if it should be thought necessary to refer the matter to the Secretary of State, it is hoped that no time will be lost. —I have, &c.,

M. K. KENNEDY, Colonel, R. E.,
Secretary to Government, Rail. Dept.

No. 78—RAILWAY.

FORT WILLIAM, 25*th April* 1872.

From GOVERNMENT of INDIA, PUBLIC WORKS DEPARTMENT, Railway; to His Grace the Right Hon'ble the DUKE of ARGYLL, KT., Secretary of State for India.

MY LORD DUKE,—Our despatch No. 33 R., dated 25th March 1871, explained to your Grace the condition of the surveys for a proposed railway from Carwar to Hooblee. On the 5th May 1871, in our despatch No. 42 R., we reported that the Government of Bombay expected to be able to submit the complete detailed project by the middle of August 1871, and we have now the honour to forward copies of our subsequent proceedings regarding this railway.

2. In November 1871, we received from the Government of Bombay plans, estimates, and reports in connection with the railway from Carwar through Hooblee to Gudduk, and the papers which accompany this despatch afford detailed information regarding the length of the railway, the gradients, curves, important works, and probable cost. We have not thought it necessary to forward the numerous and bulky drawings which we have received, but enclose, as

being sufficiently explanatory, a copy of the published map on which the general route has been marked, with copies of the plan and longitudinal profile of the railway.

3. The general character of the works which must be undertaken in order to carry a railway up the western ghauts to a level of 2,200 feet above the sea, was known from earlier reports, and your Grace will be pleased to learn that the difficulties, formidable as they still appear, after a very careful examination of the country, are proved to be less serious than they were at first thought to be. But however well chosen the route may be, this railway must constitute one of the most difficult engineering works under contemplation in India. It has ghaut works extending over twenty-four miles. It has an ascent and descent to cut off a long spur that runs down to the sea on the bank of the Gungawallee River, and short stretches of the seashore are to be passed. One unbroken incline of 1 in 40 will extend for nearly four miles, with curves of 330 feet radius. The grades below the ghauts may be reduced to 1 in 80, while, above the ghauts, nothing better than a ruling gradient of 1 in 100 can be expected.

4. The estimate was framed by the Chief Engineer, Mr. Shaw, and the Bombay Government, before sending it on, obtained the opinion of Mr. Forde, who made additions for rolling stock, and Mr. Forde's total for the whole line was £841,558, or £5,818 per mile, for 144½ miles. The Bombay Government were not satisfied that this estimate would cover all probable outlay, and they have, therefore, named £900,000, or about £6,230 per mile of railway, to include all charges, except what may be incurred at Carwar itself. They add £100,000 for improving Carwar Port, and they express their conviction that the total outlay will be approximately one million sterling.

5. As there seemed to be a diversity of opinion as regards the sufficiency of the estimate, we directed our Consulting Engineer for State Railways to examine the country, and Mr. Molesworth, after walking over the greater part of the line, and after conferring with the officers who were engaged on the survey, believes that the railway may be constructed within the amount named by the Government of Bombay. Ninety lakhs is therefore, in the opinion of all Engineers who have examined the country, a full estimate of the cost of a metre gauge railway from Carwar to Gudduk.

6. Much uncertainty naturally exists as to the probable receipts from such a railway. In the year 1869, Colonel Trevor, R. E., reported that, in his opinion, 85,000 tons of goods would be annually conveyed over it. This estimate was framed on the belief that 25,000 tons of ordinary goods would be conveyed upwards, and 25,000 downwards, and, in addition, 35,000 tons of cotton would be exported. At the rate of three pence per ton per mile, this would yield a gross revenue of £918 per mile annually. The Chief Engineer, Mr. Shaw, has made an estimate of the net profit which may be expected after the local and passenger traffic receipts are included, which is considered by the Bombay Government to be too sanguine, but they think that, with all allowances, they have a fair prospect of a return of 8½ per cent. on a capital of £900,000, and believe that this prospect justifies the execution of the line.

7. Taking into consideration the fact that Carwar will, if the railway be made, be the outlet for a rich cotton producing country held under ryotwarree leases on the eve of termination, we may expect to receive an increase of land revenue to the extent of one and a half lakhs of rupees annually. But it is difficult to decide how much may be attributable to the railway, and we are, therefore, unwilling to admit this probable enhancement of the assessment as a strong argument in favour of the railway. A serious drawback to the immediate prospect of prosperity of the proposed line lies in the existing direction of trade, for Carwar is not at present the port where the produce of the Southern Mahratta Country leaves India. The trade is now concentrated at Compta and Vingorla, but it is probable that the natural advantages of Carwar will soon make themselves felt.

8. We confidently submit, however, that a strong case has been shown in favour of the construction of the railway from Carwar to Gudduk, and we expect that extensions will be eventually made from the neighbourhood of Gudduk to the east, north, and south; but for the present, we confine ourselves to the main line from Carwar to Gudduk, and we believe that this railway offers financially a better prospect of return than most of the undertakings about to be commenced. We commend the project to your Grace's attention, and solicit early permission from Her Majesty's

Government to put the work in hand.—We have the honour to be, &c.,

NAPIER.
NAPIER OF MAGDALA.
JOHN STRACHEY.
R. TEMPLE.
J. F. STEPHEN.
B. H. ELLIS.
H. W. NORMAN.

No. 606 S. R.

FORT WILLIAM, *1st May* 1872.

Copy of the above forwarded to the Government of Bombay, in the Public Works Department (Railway), for information, in reply to its No. 1426, dated 21st November 1871.

By order,

ALFRED H. VAUX,
Under Secy. to the Govt. of India.

No. 225 of 1872.

BOMBAY CHAMBER OF COMMERCE, *29th July* 1872.

To the SECRETARY to GOVERNMENT, Public Works Department, Bombay.

SIR,—I have the honour, by direction of the Committee of Management, to state, for the information of His Excellency the Governor in Council, that a Special General Meeting of the Members of the Chamber was held on the 10th instant, to consider the expediency of memorializing Her Majesty's Principal Secretary of State for India in Council to institute further inquiries regarding the correctness of the estimates on which the Government of India had expressed a favourable opinion for the construction of a Railway from Carwar to Gudduck and the advisability of giving a preference to the construction of a line from some point on the G. I. P. Railway between Poona and Sholapore to the Dharwar districts, which Meeting was again adjourned

to the 15th idem, when, after a prolonged discussion, the resolution hereto annexed was carried, only two firms dissenting therefrom.

In conformity with this resolution, I have now the honour to forward herewith a Memorial to Her Majesty's Principal Secretary of State for India in Council from the Members of the Chamber on the subject in question, and I am to request you will do the Committee the favour to place the same immediately before His Excellency in Council, with a view to the Memorial being transmitted to Her Majesty's Principal Secretary of State by the mail on the 2nd proximo.—I have, &c.,

JAMES TAYLOR, Secretary.

Proposed by Mr. R. E. Bickerdike (Messrs. Knoop & Co.), and seconded by Mr. Donald Graham (Messrs. W. and A. Graham & Co.) :—

"That in the opinion of this Chamber the estimates of traffic given in the correspondence on the Carwar Railway published by Government, are founded on an incorrect basis and cannot therefore be relied upon.

"Resolved that the Committee of the Chamber be instructed to memorialize the Secretary of State for India to institute further inquiries regarding the correctness of these estimates of traffic, and the advisability of giving a preference to the construction of a railway from the Dharwar districts to a point of junction with the Great Indian Peninsula Railway." —Carried.

(True Copy.)

JAMES TAYLOR, Secretary.

No. 232 of 1872.

BOMBAY CHAMBER OF COMMERCE, *2nd August* 1872.

To HERMAN MERIVALE, Esq., C.B., D.C.L., Under Secretary of State for India, Whitehall, S. W., London.

SIR,—I have the honour to advise you that by direction of the Committee of the Chamber I have forwarded to your address by the present mail via Southampton, three

packets giving cover to 20 printed copies of the enclosed Memorial to Her Majesty's Principal Secretary of State for India in Council, on the subject of the proposed railway from Carwar to Gudduck, together with ten printed copies of the Report of the Proceedings at the two General Meetings of the Chamber when the subject in question was considered, and I am to request you will do the Committee the favour to have these copies of the Memorial and Report of the Proceedings laid before the Members of the Council for their information.

The Memorial itself has been sent to the Government of Bombay for transmission to His Grace the Secretary of State in Council.—I have, &c.,

JAMES TAYLOR, Secretary.

To His Grace the Right Hon'ble the DUKE of ARGYLL, KT., Her Majesty's Principal Secretary of State for India in Council.

The Memorial of the Members of the Bombay Chamber of Commerce.

RESPECTFULLY SHEWETH—That when it became known in Bombay in 1869, that a survey had been ordered by Her Majesty's Principal Secretary of State for India, with a view to the construction of a railway from Carwar to the Dharwar districts in the Southern Mahratta Country, a petition to the then Governor of Bombay in Council, Sir Seymour Fitzgerald, signed by 54 firms, was forwarded through your memorialists on the 2nd July 1869, praying that before such a line was definitely decided upon, a survey might be made for an alternative line to connect the Southern Mahratta Country with the G. I. P. Railway at Sholapore, or such other point between that place and Poona, as might be deemed most expedient; but that the petitioners never received any answer.

2. That your memorialists learnt with regret in the month of May last, by the publication in the newspapers, of the despatch No. 78, Government of India, Railway, Public Works Department, dated 25th April 1872, that the Government of India had recommended to your Grace in Council the construction of a railway from Carwar in North

Canara to Gudduck in the Southern Mahratta Country, on the ground that a strong case had been shown in favour of its construction, and that they believed "that this railway offers financially a better prospect of return than most of the undertakings about to be commenced."

3. That immediately after the publication of the despatch in question, the Committee of Management of this Chamber were requested by many members to convene a Special General Meeting for the purpose of considering, as soon as the state of other pressing business of the Chamber would permit, the expediency of memorializing Her Majesty's Principal Secretary of State for India in Council to delay sanctioning the construction of the railway from Carwar to Gudduck pending further enquiry.

4. That a Special General Meeting of the members of this Chamber was accordingly held on the10th instant, which meeting, after a prolonged discussion, was adjourned to the 15th idem, when after another animated debate the following resolution was put to the meeting and carried with only two dissentients :—

"That in the opinion of this Chamber the estimates of traffic given in the correspondence on the Carwar Railway, published by Government, are founded on an incorrect basis, and cannot therefore be relied upon.

"Resolved, that the Committee of the Chamber be instructed to memorialize Her Majesty's Secretary of State for India to institute further enquiries regarding the correctness of these estimates of traffic, and the advisability of giving a preference to the construction of a railway from the Dharwar districts to a point of junction with the Great Indian Peninsula Railway."

A report of the proceedings at these two meetings, published under the authority of the Chamber, is herewith annexed for information.

5. That your memorialists are strongly of opinion that the estimates of traffic published by the Government of Bombay, on which the favourable opinion of the Government of India as to the financial prospects of a line of railway from Carwar to Gudduck is based, are (as stated in the resolution) founded on an incorrect basis, and cannot be relied on.

6. That the estimates in question are framed on the supposition that the entire traffic of the Southern Mahratta

Country, Southern Concan, and North Canara, which now finds its way to various ports on the western coast of India, from Rutnagherry and Vingorla on the north, to Compta and Honore on the south, a distance of more than 250 miles, would be diverted from these channels to the proposed line of railway from Gudduck to the port of Carwar.

7. That this supposition is contrary to all experience in India, and in the case of Carwar is especially inapplicable, for notwithstanding an expenditure of about half a million sterling in less than five years by the Government of Bombay, on harbour improvements and on roads across the Ghauts to the interior, and in spite of other special efforts having been made to develope trade, Carwar has completely failed to secure to itself more than a very small share of the trade of the districts above referred to.

8. That the collector of Carwar, Mr. Shaw Stewart, writing to the Government of Bombay under date 8th March 1866, on his return after a year's absence in England, said, in reference to what he had reported on favourably a year before —"I thought that there was good ground for expecting that the transfer of the cotton trade from Compta to Carwar would be speedily accomplished. It caused me much surprise to find, on my recent return to Canara, that the desirable object was as far off as ever, and not only do the native cotton dealers of Compta show no intention of coming to Carwar, but the Carwar Company has been unsuccessful in getting any cotton brought here on its own account, and their large press-houses, capable of pressing some 600 bales a day, are standing idle, the trade of Carwar having, to all appearance, utterly stagnated."

9. That the reasons that weighed with the native merchants in continuing to remain at Compta in preference to Carwar, notwithstanding the inducements offered, were well stated by Mr. Shaw Stewart in the following passages taken from the despatch in question:—"I think that their chief objection to come to Carwar is a twofold one. They are extremely comfortable where they are, and think they will be very uncomfortable at Carwar. At Compta they have good houses, gardens, and temples. Many of them have acquired landed property in the neighbourhood, and a well defined and organised system of trade with its muccadums, brokers, shroffs, and shipping agents has sprung up. At Carwar they will have to build their houses, temples, &c., at

great expense in a low sandy plain, where the mere foundation and filling up would now cost more than the erection of a house at Compta some years ago * * * * * * The accessories of a large trade must also be created. These are doubtless matters of comparatively small importance, but I am aware that they go for much with the native merchants at Compta, especially as the change to Carwar does not offer them any extraordinary mercantile advantage to compensate for the discomforts."

10. That these reasons stated by Mr. Shaw Stewart your memorialists consider to be quite other than of "small importance," they would carry weight, "and go for much," with merchants and traders in any part of the world, and especially so in India, and they sufficiently account for the fact, that after a further experience of six years since Mr. Stewart's despatch was written, the trade of Carwar remains insignificant compared with the amount of public money already spent upon it. Taking the average of the last five years ending 1871, the total import and export trade of Carwar only amounted to 7,290 tons out of a total of about 50,000 tons, distributed among the six ports already mentioned.

11. That though matters are somewhat changed at Carwar since 1866, when the presses of the Carwar Company were "standing idle," and cotton has been pressed there during the last few seasons, still the quantity shipped from that port direct to Europe has hitherto been inconsiderable, and owing to the remarkable change in the course of trade since the opening of the Suez Canal, the direct export is more likely to diminish than to increase.

12. That this view is supported by the actual statistics of the last three years. In the season 1868-69, before the opening of the Canal, 36,681 bales of cotton were shipped direct to Europe, whereas in the seasons of 1869-70 and 1870-71 the exports were only 6,120 bales and 8,085 bales respectively.

13. That though in the season which terminated last month, there has been a direct export from Carwar to Europe of 23,583 bales, still this is exceptional, and has been owing to several steamers and one sailing vessel having been specially chartered under particular circumstances to load there.

14. That your memorialists are of opinion that it is little else than a delusion to suppose that a port like Carwar, in such close proximity to the best port, and the largest market

for cotton in India, can become one of any importance for a direct export cotton trade with Europe.

15. That even supposing the bulk of the cotton grown in the Southern Mahratta Country should come to Carwar, it would still be brought on to Bombay,—because the cotton in question is now regularly exported, not only to England but also to several ports in the Continent of Europe (especially to Odessa), and as there are alway six, and sometimes seven, subsidised steamers sailing from Bombay to those ports every month on fixed dates, it is improbable in the extreme that regular competing lines of steamers would ever be established from Carwar.

16. That the indigenous cotton of the Southern Mahratta Country is largely consumed by the cotton mills established in Bombay. This local consumption is now steadily on the increase, and as the spinning companies are often prepared to pay a higher price than an exporter can, a much larger quantity than the mills actually require is sure to be attracted to this market.

17. That the import trade in English goods of the various ports from Rutnagherry to Honore is altogether unimportant, and if it all centred at Carwar (of which there is no probability) it would hardly fill a ship of large tonnage in a year, sent from England direct; in carrying on an export trade ships would therefore have to be specially chartered, and ships so chartered would of course require a higher freight than from Bombay itself.

18. That a line of railway, from such point on the G. I. P. Railway between Sholapore and Poona, as may be determined on after careful examination, would in the opinion of your memorialists not only be preferable to a line to Carwar, for the economical and speedy conveyance of the cotton traffic of the Southern Mahratta Country, but would also best serve the interests of the people generally by opening up the whole country from Sattara to Mysore,—thus enabling the inhabitants of those important districts to bring the varied fruits of their industry with speed and regularity to the best market.

19. That your memorialists believe that if the line from Carwar to Gudduck were constructed first, and even succeeded in absorbing a large portion of the cotton trade of the district, the subsequent extension of the line (as proposed) to a junction with the G. I. P. Railway would at

once divert nearly the whole of the cotton trade from Carwar to Bombay, because the certainty and celerity of a railway journey throughout the entire distance would be preferred even at increased cost, when an article like cotton was in question, to the uncertainty and frequent delay connected with the journey by railway to Carwar and thence by steamer to Bombay.

20. That experience has in fact conclusively shown, that by placing a cotton district in direct railway communication with Bombay, the grower is enabled to command as high a price for his cotton in his district as he could get at the same time in Bombay.

21. Your memorialists therefore trust your Grace in Council may be pleased to delay your sanction to the proposed line of railway from Carwar to Gudduck till time has been given for a thorough sifting and revision of the exaggerated estimates of traffic on which a favourable opinion of the financial prospects of the line has been based; that surveys may be made for a line as abovementioned, such as Colonel Trevor, R. E., stated in his letter to the Government of Bombay, under date 29th September 1869, "would be a more remunerative undertaking for Government and more advantageous to the public," and, in the judgment of your memorialists,—what Colonel Trevor did not state, but the contrary,—as "beneficial to the cotton interest, as a railway from the cotton districts to Carwar."

And your Memorialists, as in duty bound, will ever pray.

At the request, and on behalf of the Members of the Bombay Chamber of Commerce.

JOHN K. BYTHELL, Chairman.
JAMES TAYLOR, Secretary.

Bombay, Chamber of Commerce, 27th July 1872.

Extract from the Proceedings of Government, in the Railway Department, dated 14th October 1872.

Read the following Despatch from Her Majesty's Principal Secretary of State for India, to His Excellency the Hon'ble the Governor in Council, Bombay, No. 13—Railway, dated 10th September 1872.

I have received your Excellency's Despatch of the 5th August last, forwarding a memorial from the Bombay Chamber of Commerce, praying that I will withhold

sanction to the construction of a Railway from Carwar to Gudduck, until the estimates of traffic on which a favourable opinion of the financial prospects of the line has been based, have been further investigated.

2. You also forward a letter from Messrs. W. Nicol and Co. and Messrs. Ritchie, Steuart, and Co., members of the Chamber, dissenting from the prayer of the memorial.

3. I transmit, for your information, copy of a recent despatch to the Government of India on the subject, from which you will learn that I have already adopted the course suggested by the Chamber of Commerce. I request that that Chamber, Messrs. Nicol and Co., and Messrs. Ritchie, Steuart, and Co., may be informed accordingly; and further that, when the matter again comes under consideration, their representations shall receive proper attention. —I have, &c.,

† No. 94, dated 14th August 1872.

ARGYLL.

RESOLUTION.—A copy of this Despatch should be communicated to the Secretary of the Chamber of Commerce, Messrs. Nicol and Co., Messrs. Ritchie, Steuart, and Co., the Consulting Engineer for Railways, and the President, Carwar Railway Company.

W. A. BAKER, Lt.-Col., R. E.,
For Acting Under-Secretary to Government.

INDIA OFFICE, LONDON, 14*th August* 1872.

To His Excellency the Right Honourable the GOVERNOR-GENERAL of INDIA IN COUNCIL.

MY LORD,—I have had under consideration in Council your letter of the 25th April last, No. 78, reporting proceedings and submitting recommendations with regard to the proposed railway from Carwar through Hooblee to Gudduk, and I have learnt, with much satisfaction, that, after the renewed surveys which have been made of the line, and the careful revision which the estimates of its cost of construction have undergone, both your Government and that of Bombay have arrived at the conclusion that, in spite of the engineering difficulties which the country traversed by the line presents, there is a reasonable hope of its successful

construction in three or four years at an expense of about 900,000*l.*, or 6,230*l.* per mile.

2. As regards this branch of the question, I should have been prepared to give my sanction to the immediate commencement of the work, but there are other considerations which induce me, very reluctantly, to defer a little longer conveying to you my final authority for the execution of the project.

3. The extent to which the credit of the Government of India is already committed in connexion with public works in India, and the amount of British capital consequently engaged in them; the unsatisfactory character of the commercial results which have hitherto marked them; the uncertainty, and, in some cases, the unsoundness of the fiscal resources to which the Government can alone look to enable it to meet these liabilities; together with the unsettled and somewhat exceptional conditions under which commercial schemes must be undertaken at the present time, have led me to feel that extreme caution must be exercised in entering upon new projects involving a large expenditure of public money.

4. The present case is not one in which the political and military considerations which have justified, irrespective of commercial advantages, the construction of many Indian railways, hold an important place. The proposed line was suggested and encouraged on purely commercial grounds, and must be adopted with regard to commercial results; and before it be undertaken it becomes a matter of first importance that the commercial prospects of the line should be made the subject of the most careful and searching inquiry which is possible, under the circumstances, of the country through which it is to pass.

5. On this point I am compelled to say, that the information before me is far from complete.

6. The foundation of the estimates of the probable traffic of the line made in the several able reports, enclosed in your Despatch, appears to have been laid in the report of Lieutenant-Colonel Trevor to the Government of Bombay, of 29th September 1869, No. 2781*a* of 1869, and I observe that it is upon this estimate that the conclusions, both of the Government of Bombay and of your Government, as to the remunerative nature of the undertaking, are chiefly based.

7. This estimate proceeds on the assumption that the proposed line will, at no distant time, command a traffic of 85,000 tons of merchandise per annum, of which about

60,000 tons is expected to consist of goods destined for exportation, and 25,000 tons of imports intended for the internal consumption of the district.

8. Of the above-mentioned exports 35,000 tons, or more than half, will, it is thought, consist of cotton, the remaining 25,000 tons of exports of other commodities of which no detailed account is given, but which it is assumed will consist of grain and other raw products.

9. First, as regards cotton. It is to this branch of the export trade that the framers of the estimate of traffic appear to have chiefly looked in calculating the probable revenue of the line.

10. Colonel Trevor says, in para. 13 of his report:—

"It may, it is presumed, be taken for granted, that the "primary object of the proposed line is the development of "the cotton traffic of the Southern Mahratta Country, at all "events the railway will be almost entirely dependent for its "earnings on the carriage of cotton, which constitutes, in "bulk, about one-third, and in value about *two-thirds*, of "the whole export trade of the six ports of Akola, Carwar, "Coompta, Honore, Rutnagherry, and Vingorla."

11. Different opinions are expressed, unsupported by any very direct evidence, by the different engineers as to the probable amount of other branches of the export trade, and of the passenger traffic which may be expected; but in the main, as in the original conception of the line, the cotton interest was the prevailing motive, so in the estimates the traffic in cotton along the line appears to have been the chief consideration.

12. But I observe that the estimate of 35,000 tons of cotton per annum, originally made by Colonel Trevor and adopted by subsequent reporters, as well as by the Government of Bombay and by your Government, is founded on the statistics of the export trade from Carwar, Coompta, and Vingorla in the year 1868, the year of the largest export from this district on record.

13. This estimate, therefore, proceeds on the assumption, first, that the line to Carwar will absorb the whole of the future trade of these three ports; and, secondly, that the total export of cotton from the Dharwar district to Europe will remain at the same amount.

14. Both these propositions appear to me open to doubt.

15. As regards the first, the papers before me tend to

show that some years must elapse before the trade of Coompta will be altogether diverted to Carwar; while according to some authorities, Vingorla will always, probably, retain a portion of her present trade.

16. On the second point, the export accounts of the years 1869 and 1870, the only subsequent years of which the statistics are supplied in the papers, already show a marked decline on the trade of 1868, the number of tons in each year, taking the docra as = 140 lbs., being as follows:—

1868	Tons 24,630
1869	17,186
1870	8,701

17. It becomes, therefore, important to inquire whether the future prospects of the cotton trade in this district justify the expectation that the maximum export of 24,630 tons will be recovered and maintained in future years. It is possible that this might be the case, and that new sources of supply may be opened by the railway, which will compensate for deficiencies in those already in activity, but there are circumstances in the conditions both of the future demand for Indian cotton in foreign markets, and also of the future supply of this particular India cotton, which have attracted my attention.

18. It is a notorious commercial fact, that, so far as the market of the United Kingdom is concerned, the demand for Indian cotton is in the inverse ratio of the supply of American cotton available at a reasonable price, and it appears probable that the course of trade during the next few years will be in the direction of a constantly increasing supply from the Southern States of America. I subjoin a statement of the imports into the United Kingdom from the United States and from British India,

Quantities of Cotton imported in the United Kingdom from the United States and from British Possessions in the East Indies, respectively, during ten years ending with 1871.

Year.	United States.	British Possessions in the East Indies.
	lbs.	lbs.
1862	13,524,224	392,654,528
1863	6,394,080	434,420,784
1864	14,148,064	506,527,392
1865	135,832,480	445,947,600
1866	520,057,440	615,302,240
1867	528,162,096	498,317,008
1868	574,444,752	493,706,640
1869	457,358,944	481,377,344
1870	716,245,040	341,467,728
1871	1,038,677,920	431,209,744

respectively, during each of the last ten years, from which it will be seen, that while the exports from the former have advanced from 520,000,000 lbs. in 1868 to 1,038,677,920 lbs. in 1871, those from British India have fallen from 615,302,240 lbs. in the former year to 431,209,744 lbs. in the latter.

19. I am aware that the imports into the United Kingdom do not afford a complete test of the relative demand for Indian cotton in other markets, for it is a satisfactory feature in this branch of the Indian trade, that Indian cotton is increasingly consumed in other countries of Europe, and even in China, but it is nevertheless true, that the total export of raw cotton from British India has sensibly declined during the last two years, as is shown by the followingfigures :—

Year.	Quantities.	Value.
	lbs.	£
1865-66	820,250,464	85,587,389
1866-67	412,297,421	16,478,064
1867-68	606,776 661	20,107,067
1868-69	694,275.483	20,169,473
1869-70	542 466,637	19,087,624
1870-71	562,385,345	19,460,899

20. In the presence of this general fact, it becomes an important question how far it is safe to rely on a very marked revival of the Indian cotton trade; and as regards the cotton trade of this particular district, certain features have been brought to my knowledge by recent reports which suggest a doubt whether its capacities of future development are so exceptionally favourable as to make it probable that, in the event of a stationary demand for Indian cotton, it would be likely to take the place recently occupied by other cotton districts.

21. It appears, from the Administration Report for 1870-71 of the Cotton Department of the Bombay Presidency, that, while the total acreage of Bombay under cotton cultivation is 4,296,777, and that of the Dharwar and adjoining districts is 530,600, or about 12 per cent. of the whole, the total yield of the Presidency is 248,274 candies, and that of Dharwar 16,359 candies, or only 6 per cent. of the whole. It is added that, whereas the average yield of cotton per acre in the Presidency is 73 lbs., that of the Dharwar district is only 24 lbs.

22. It is moreover stated in Colonel Trevor's report, that only 16 per cent. of the total area of the Collectorate of Dharwar can annually be planted with cotton, owing to the rotative nature of the crop, and he appears to think that the future development of the district will depend more upon the degree to which it can be cultivated for other exportable produce, than for cotton itself.

23. The foregoing facts and suggestions appear to me to render it very desirable that some further information should, if possible, be obtained as the extent of the cotton trade which the proposed line may be expected to carry before commencing the work, and I should be glad if your Government can cause such enquiries to be made in the district, both as to the agricultural conditions and prospects of this branch of industry, and as to the actual extent of the existing trade down to the latest possible date, by obtaining accurate returns from each of the shipping ports, as may throw further light on the several questions to which I have adverted.

24. As regards the other branches of the estimated export trade, inquiry seems still more essential. So far as grain is concerned, I observe that Lieutenant-Colonel Trevor remarks that in the four years preceding 1868 (the date of his report), the imports of grain on this coast amounted to 13,525 tons, while the exports only reached 2,283 tons, and he adds that, although the Collectors state that 120,000 tons of grain are available for export, Dr. Forbes expresses the opinion that the cotton-growing districts rarely raise grain enough for their own consumption.

25. It must be added, that a trade in grain from this district would in all probability be dependent on the accident of seasons, and form a doubtful source of permanent and reliable revenue for the line. On this head also, however, I am anxious to receive further and more precise information, both as to the capabilities of production in the district, and as to the markets which it might be called on to supply.

26. I now turn to the import trade which may be expected to feed the projected line.

27. The information on this trade in my possession is even less complete than that on the export trade.

28. The trade accounts of Bombay only give the aggregate value of the imports at the several ports of the district, while the accounts of the town of Coompta are absent altogether. It is desirable that a statement should be prepared, showing

the details of this trade, distinguishing the nature and quantities of each kind of merchandise imported and exported at each of the ports of the districts for a series of years, in order that some solid foundation may be laid for an estimate of the probable expansion of trade which might be expected, if better means of communication were established with the interior.

29. As your Government is aware, the import trade of British India has not kept pace with the recent increase of the export trade, and with the exception of cotton manufactures and iron (the result of exceptional causes), contains no items of adequate importance. In the case of cotton manufactures (yarn and goods), which constitute nearly two-thirds of the total value of the export trade from the United Kingdom to British India, it must be recollected that the rapid development of the import trade in cotton goods appears, in some respects, inconsistent with a great extension of the export trade in raw cotton from India, inasmuch as the first depends much upon the low range of prices in the manufacture, while the latter is chiefly stimulated by a high range of prices in the raw product, which is the most powerful cause of the high prices of the manufactured goods.

30. Thus it will be seen, from an examination of the trade accounts, that the largest exportation of cottons and cotton yarn from the United Kingdom to British India was in the year 1859, when it reached the amount of—

Cottons	886,604,540 yards.
Yarn	39,655,995 lbs.

The importation of Indian cotton into the United Kingdom during the same year being only 1,701,705 cwt., while during the year 1866, the year of the largest importation of Indian cotton into the United Kingdom, those imports having amounted to 5,457,307 cwt., the exports from the United Kingdom to British India of cottons and cotton yarn only amounted to—

Cottons	545,404.052 yards.
Yarn	19,849,406 lbs.

31. Since that date, the exports of cotton goods from the United Kingdom to India again advanced in 1870 to—

Cottons	784,927,800 yards.
Yarn	27,022,631 lbs.

While the imports of British Indian cotton into the United Kingdom have fallen to 3,040,550 cwt.

32. These facts suggest a doubt whether it is probable

that a large expansion, both of the export trade in cotton from India, and of the importation of yarn and piece-goods, will take place concurrently, and, in the event of the course of trade being in the direction of a stationary or diminished export of raw cotton, the prospects of the import trade will become an important element in the success of the line.

33. I should wish, therefore, to receive the most recent information which can be collected, if not already obtained, as to the population, industry, manufactures, and habits of the people in the district in question, and the probable consumption of foreign commodities which railway access from the coast to the interior might be expected to bring about; information which appears the more necessary in view of the argument advanced by the Chamber of Commerce of Bombay, and supported both by Lieutenant-Colonel Trevor and Lieutenant-Colonel Wilkins, viz., that so far as the trade in piece-goods is concerned, the alternative route from Sholapore, on the Great Indian Peninsula Railway, to Dharwar would provide more effectual means of distribution.

34. I gather from the papers under consideration that little reliance can be placed on the passenger traffic of the line as a source of revenue.

35. The foregoing considerations appear to me to throw some doubt upon the financial success of the line; at all events they are, in my opinion, of sufficient importance to render further and more precise information necessary before commencing the work, and I have, therefore, to request that your Excellency will direct your attention to the various questions to which I have adverted, and cause such inquiries to be made as may supply the materials for a more satisfactory estimate of the financial prospects of the line than are at present in my possession.

36. I have only to add that, much as I regret the delay which the inquiries which I have directed you to make will cause in the prosecution of a work in many respects so promising, and to which so much time and labour have already been directed, that regret is diminished by the present high price of iron, which, although affording by itself no adequate reason for postponing the undertaking, would have appreciably enhanced its cost to an extent which it may be hoped it may be possible to avoid in another year.—I have the honour to be, &c.

ARGYLL.

APPENDIX S.

RAJPOOTANA RAILWAY PROJECTS: EXTENSION FROM AHMEDABAD TO AJMERE.

Extract from the Proceedings of Government in the Railway Department, dated 13th February 1872.

Read the following :—

BOMBAY CHAMBER of COMMERCE, *7th Februarg* 1872.

To the SECRETARY to GOVERNMENT, Railway Department, Bombay.

SIR,—The Chamber of Commerce has addressed Government on various occasions within the last six years, on the necessity of direct Railway communication between Bombay and the North of India through Rajpootana.

2. Within the last few months a line to connect Delhi and Agra with Ajmere has been sanctioned by the Government of India, and the work has already been begun, but no steps seem to have been taken, so far as the Chamber is aware, to connect Bombay in a direct line with those important districts of India, from a point on the Bombay, Baroda and Central India line.

3. The latest information received by the Chamber from Government on this subject, was in a communication dated December, 1869, in which it was stated, "that Government would not fail to inform the Chamber of Commerce of their view on the question of railway communication from Bombay to Delhi *via* Rajpootana, as soon as the subject had been fully considered."

4. I am directed by the Committee of Management respectfully to point out, that by commencing the extension of our railway system into Rajpootana from the extreme northern point, without at the same time providing for a like extension from this side of India, injury will be done to the commercial interests of Bombay.

5. Papers connected with a proposal laid before the Secretary of State for India by the Directors of the Bombay,

Baroda and Central India Railway, for a line from Ahmedabad to Deesa, have been submitted for the information of the Chamber.

6. From these papers it appears that a line from the Subarmuttee station to Deesa, 86½ miles in length, could be made within eighteen months from the commencement of the works, at an aggregate cost of about 46 lakhs, exclusive of rolling stock.

7. An alternative line *vid* Veerumgaum to Deesa is also pointed out, by which eight miles less of new line would have to be constructed, but the route for traffic would be lengthened, as between Ahmedabad and Deesa, by about thirty miles.

8. The Committee offer no opinion as to which of these alternative lines should be adopted, as the point would have to be settled on grounds on which Government only is competent to decide.

9. But should either of the proposed lines be sanctioned, and afterwards continued *vid* Pali to Ajmere, such a line would go far to meet the commercial requirements of Bombay in reference to its trading relations with Rajpootana and Northern India.

10. The Chamber, however, has no desire to commit itself to the advocacy of any particular line, and has no interest in recommending other than what may be considered best for the country.

11. But the Committee are strongly of opinion that the interests of Bombay and the interests of the country alike, urgently require a line of Railway to connect Northern India *vid* Rajpootana and Guzerat, with the principal port of Western India,—and they earnestly hope His Excellency in Council will press this view on the early attention of the Government of India.—I have, &c.,

JAMES TAYLOR, Secretary.

RESOLUTION.—To be forwarded to the Government of India, in continuation of Government letter No. 65, dated 16th January last.

H. F. HANCOCK, Lieut.-Colonel, R.E.,
Acting Under Secretary to Government.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

APPENDIX T.

IMPORTATION OF BRANDY AND OTHER SPIRITS FROM DAMAUN INTO BRITISH TERRITORY.

No. 114 of 1872.

BOMBAY CHAMBER OF COMMERCE, *16th April* 1872.

To the ACTING CHIEF SECRETARY to Government, Bombay.

SIR,—The attention of the Chamber has recently been drawn by the representations of various merchants, to the extensive importation of Brandy at Damaun, which is afterwards imported into and distributed in British Territory.

This illicit trade has, according to the information before the Chamber, assumed large proportions, and shipments, it appears, are made to Damaun direct from Europe, on which the charges incurred on importation at Bombay, amounting in the aggregate to Rs. 6-6 per dozen, are entirely evaded.

The Committee need hardly point out to Government that the existence of such a trade not only defrauds the public revenue to a very large extent, but also places the honest trader at a ruinous disadvantage.

I am, therefore, directed by the Committee respectfully to inquire whether it is in the power of Government to put a stop to a species of smuggling so destructive to all fair trading.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 1987 A of 1872.

REV. DEPT., BOMBAY CASTLE, *25th April* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed by the Right Honourable the Governor in Council to state, for the information of the Chamber of Commerce, that the subject of your letter, dated the 16th instant, is occupying the attention of this Government and the Government of India.—I have, &c.,

F. R. S. WYLLIE,
For Acting Chief Secretary to Government.

APPENDIX U.

NOTIFICATION REGARDING THE RECEIPT OF CURRENCY NOTES AT THE CUSTOM HOUSE.

BOMBAY CUSTOM HOUSE, 21*st March* 1872.

To the SECRETARY, CHAMBER of COMMERCE, Bombay.

SIR,—I have the honor to forward herewith thirty (30) copies of a Notice issued by this Department regarding the receiving of Currency Notes, and to request that the same may be distributed for information amongst such Firms as have dealings with this Department.—I have, &c.,

H. E. JACOMB,
Acting Deputy Commissioner of Customs.

NOTICE.

UNDER the orders of the Government of India, it is hereby notified that on and after the 1st of April 1872, Currency Notes of the value of Rs. 50 and upwards will not be received at the Treasury of the Bombay Custom House unless accompanied by a Memo., signed by the person presenting the same, showing the denomination, number, date, and circle of issue of each Note.

2. Further, all persons receiving payments in Notes of the value of Rs. 50 and upwards from the Customs Treasury will be required to sign a book, to be kept in the Cash Department, giving particulars similar to those above-mentioned.

3. Forms to accompany payments made into the Treasury can be obtained on application to the Cashier at the Custom House.

H. E. JACOMB,
Acting Deputy Commissioner of Customs, P. D.

BOMBAY CUSTOM HOUSE, 5*th March* 1872.

BOMBAY CHAMBER OF COMMERCE, *8th April* 1872.

To the ACTING CHIEF SECRETARY to GOVERNMENT, Bombay.

SIR,—In reference to the accompanying copy of a letter from the Deputy Commissioner of Customs and of the Notice to which it refers, I am directed by the Committee of Management of the Chamber to point out that the enforcement of this notice will be productive of much inconvenience to merchants in the transaction of business with the Custom House.

The formalities of one description or other, that have at present to be gone through in Bombay, in exporting and importing goods, seriously obstruct the despatch of business, and the effect of the notice referred to can only be to increase present delays and make matters worse.

The Committee are further of opinion that the notice objected to is likely to have an injurious effect on the currency circulation: most persons (especially native merchants) having money transactions at the Custom House will prefer to use silver rather than subject themselves to the risk, trouble and delay which these new formalities will occasion.

At a time when the Government of India has been inviting suggestions for giving increased facilities for the use of Currency Notes, it does not, in the opinion of the Committee, seem a desirable thing to be adopting an expedient that will have the effect of restricting the use of paper money, in connection with an important public Department.

I am respectfully to request His Excellency in Council will do the Committee the favor to forward a copy of this letter to the Government of India as early as possible, and they hope he may be able to give his support to the views which it expresses.—I have, &c.,

JAMES TAYLOR, Secretary.

No. 1127 of 1872.

BOMBAY CASTLE, *26th April* 1872.

To the SECRETARY of the CHAMBER of COMMERCE, Bombay.

SIR,—I am directed to acknowledge the receipt of your letter dated 8th instant, with enclosure, on the subject of a notice given by the Customs Department

regarding the registration of Currency Notes of the value of Rs. 50 and upwards received into and issued from the Custom House Treasury, and to state, for the information of the Chamber of Commerce, that a copy thereof has been sent to the Government of India.—I have, &c.,

F. R. S. WYLLIE,
Ag. Under-Secretary to Government, Financial Dept.

No. 131 of 1872.

BOMBAY CHAMBER OF COMMERCE, *3rd May* 1872.

To the SECRETARY to GOVT., Financial Dept., Bombay.

SIR,—I am directed to acknowledge the receipt of your letter of the 26th instant, and to express the thanks of the Committee of the Chamber to His Excellency in Council for transmitting to the Government of India copy of the Chamber's letter regarding the notice issued by the Customs Department on the subject of the registration of Currency Notes received at and issued from the Custom House. The Committee trust Government will press on the Government of India the expediency of rescinding a notice which causes much inconvenience to traders, and is otherwise impolitic from its tendency to check the circulation of currency notes amongst the natives of the country. —I have, &c.,

JAMES TAYLOR, Secretary.

BOMBAY CUSTOM HOUSE, *3rd August* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—I have the honour to inform you that the notice issued by this Department on the 5th March last, and copies of which were forwarded to you with my letter No. 637 of the 21st idem, has been cancelled in obedience to instructions received from Government. I request you will be good enough to make the circumstances known to the Mercantile community.—I have, &c.,

H. E. JACOMB,
Deputy Commissioner of Customs, P. D.

APPENDIX V.

GUMS AND RESINOUS PRODUCTS OF INDIA.

No. 568.

SIMLA, *7th November* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In forwarding, for the information of the Chamber, the accompanying copy of a collection of reports on the gums and resinous products of India, I am directed to state that the several local Governments and Administrations have been instructed to send you specimens of not less than 10 lbs. each of the gums mentioned in their reports, and to request that, on receipt of the samples, you will be good enough to favour this department with the opinion of the Chamber on their marketable value.—I have, &c.,

J. GEOGHEGAN,
Under Secy. to the Government of India,
Dept. of Agriculture, Rev., and Commerce.

No. 20 of 1872.

BOMBAY CHAMBER OF COMMERCE, *3rd Feb.* 1872.

To the SECRETARY to the GOVERMENT of INDIA, Department of Agriculture, Revenue, and Commerce, Calcutta.

SIR,—Referring to your Circular No. 568, dated 7th November last, advising the despatch of copies of a report on the gums and resinous products of India, and informing the Chamber that specimens of not less than 10 lbs. each of the gums mentioned in the reports would be forwarded to it through the local Government for the purpose of reporting on their market value, I am directed by the Committee of Management to state that the reports referred to have been safely received, but not the samples.—I have, &c.,

JAMES TAYLOR, Secretary.

MUNDLA, 26*th March* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—Under instructions received from the Secretary to the Chief Commissioner, Central Provinces, I have the honour to advise you of the despatch of two parcels containing 10 lbs. of resin and gum respectively to the address of the Secretary to the Chamber of Commerce, Bombay.

The Deputy Commissioner of Jubbulpore, &c., has been requested to be good enough to transmit the package by passenger train, and I shall feel obliged by your acknowledging their receipt to me direct.—I have, &c.,

JOHN A. TEMPLE, Offg. Dy. Commr.

LUCKNOW, 13*th May* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—Under instructions from the Government of India, in the Department of Agriculture, Revenue, and Commerce, I am directed to advise despatch this day per dak baughy of 10 lbs. of catechu supplied by the Conservator of Oudh Forests, and to request that the Chief Commissioner may be favoured with the opinion of the Chamber of Commerce as to its market value.—I have, &c.,

J. WOODBURN,
Personal Asst. to the Chief Commr., Oudh,
in the Revenue Department.

No. 242 of 1872.

NYNEE TAL, 28*th June* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—With reference to No. 561 dated 7th November 1871 from Government of India, Department of Agriculture, Revenue and Commerce, to the Government of the North-Western Provinces, the Conservator of Forests North-Western Provinces has the honour to forward by Kumaon mail train to Cawnpore (paid) and thence by rail (bearing)—

10 lbs. of Seemli—'Zizyphus Flexuosa,' extracted from the tree of the same name.

10 lbs. of Lâk—Prepared principally from the "Ficus Religiosa" and the "Indica." Vernacular names respectively, "Pepul" and "Bur" in these provinces.

For further particulars see Statement below :—

Name of Gum.	Division.	Annual Export.	Price at nearest Market.	At which place.
		Maunds.	Rs. a. Rs. a.	
Seemli	Dehra Dhoon.	1,100	1 8 to 2 0	Dehra Dhoon.
Lâk	Kumaon	300	10 0	Cossipore.

The cost to Meerut (as the provincial commercial centre) say annas twelve (12) per maund for transport, and annas eight for cost of packing.

A railway receipt will be sent to his address from Cawnpore, and it may be mentioned that the Seemli is at the bottom of the package and the Lâk at the top.

A. GRANT,
Asst. Consr. in charge, for Offg. Consr. of Forests, N. W. P.

CHICKULDA, *20th July* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—In accordance with instructions received from the Resident at Hyderabad, I have the honour to report having this day despatched to your address a case containing specimens in quantities of 10 lbs. of the gums of the following varieties of trees with a view to an opinion being obtained as to their market value :—

Local Name.	*Botanical Name.*
Dowra	.. Conocarpus latifolia.
Moheen	.. Oodina Woodier.
Chironjee	.. Buchanania latifolia.
Kurrai	.. Stercluia Ureus.

I have, &c.,

A. T. DRYSDALE,
Offg. Deputy Conservator of Forests, Berra.

RANGOON, 13*th August* 1872.

To the SECRETARY to the CHAMBER of COMMERCE, Bombay.

SIR,—Under instructions from the Government of India, in the Department of Agriculture, Revenue, and Commerce, I have the honour to advise you of despatch, per s.s. "Oriental," to your address, care of Messrs. Ferguson & Co., of Calcutta, a case containing samples of the following gums and resins of this province (of 10 lbs. each more or less) :—

		Market Rates.
Oils	Eng (Dipterocarpus tuberculatus)	8 Annas per viss.
	Kanyin („ alatus)	1 Rupee „
	Thitsee (Malanorrha Glebra)	12 Annas „
	Padonk (Pterocarpus Dalbergioides)	9 „ „
	Thayet (Mangifera Indica)	.....
Resins.	Thingan (Hopea odorata)	8 Annas per viss.
	Tingyoo (Pinus Khasyana) / (Pinus Massomoua)	8 „ „

—I have, &c.,

J. K. HUME,
Offg. Personal Asst. to Consr. of Forests, British Burmah.

APPENDIX W.

REVISED TONNAGE SCALE FOR STEAMERS, AND TARIFF OF RATES FOR LANDING CARGO.

The following Report from the Committee appointed to consider the questions of a Scale of Landing Charges and of a Tonnage Scale for Steamers was submitted at the Annual General Meeting held on 8th October 1872.

The Committee appointed at the meeting of the Chamber on the 13th March to consider the question of a Scale of Landing Charges and the question of a Tonnage Scale for Steamers beg to present the following Report:—

The Committee at their first meeting, in order to have all the special shipping interests in Bombay cared for, resolved to ask Mr. A. C. Gumpert, the Manager of the Austrian Lloyds' Company, and Mr. Nölke, of Messrs Volkart Brothers, the Agents for the Italian Steam Navigation Company, to attend their meetings, and these gentlemen accepted the invitations of the Committee. On the departure of Mr. J. G. Smith for England, his partner, Mr. C. Douglas, was invited to take his place.

With regard to the *Scale of Landing Charges* your Committee, after obtaining the views of the largest importers, of the principal landing companies, and of many of the muccadums, decided on the list attached hereto, as, in their opinion, giving fair rates for landing goods in the absence of any special agreement.

With regard to the *Tonnage Scale for Steamers* your Committee decided to recommend the following Rules and the annexed Scale to be adopted in the case of goods carried by steam:—

1. That the Tonnage Scale for Steamers shall be on the basis of 40 cubic feet and 16 cwt. deadweight to the ton.
2. That Freight be paid on the gross weight of the goods shipped.

3. That Hides and Skins, whether in bales or bundles, be taken by measurement and not by weight.

4 That Oil be taken on the outside measurement of the cask.

5. That the above Rules and the annexed Scale come into force for steamers immediately on its sanction by the Chamber.

Your Committee having been appointed to "consider the question of a Tonnage Scale for Steamers" only, do not feel authorized to recommend the adoption now of any change in the case of sailing ships. They consider it however desirable, in the interest of the trade, to have a uniform Tonnage Scale for both ships and steamers, on the basis of 40 cubic feet to the ton, and they suggest that the General Committee call a Meeting of the Chamber—or of all the merchants interested, as may seem best—at an early date, to discuss the advisability of making the new Steamer Tonnage Scale and Rules applicable to ships on and after 1st October 1873.

JOHN K. BYTHELL. T. WILSON.
GEO. F. HENRY. K. C. MACIVER.
DONALD GRAHAM. JAS. MACALISTER.
GEO. A. KITTREDGE.

We concur in the above Report with the exception of Rule 2.

WALTER LANG. A. E. ASHLEY.
C. DOUGLAS.

I dissent entirely from Rule 2, and am also against any alteration in the Sailing Ship Tonnage Scale.

H. MAXWELL.

Bombay, 4th October 1872.

The Report having been taken as read—it was proposed by Mr. Kittredge (Messrs. Stearns, Hobart, & Co.), and seconded by Mr. Thos. Wilson (of Messrs. Antrobus & Co.)—

"That the list of Landing Charges* submitted by the Committee be adopted and sanctioned by the Chamber."—*Carried unanimously.*

Proposed by Mr. Kittredge (Messrs. Stearns, Hobart &

* For List see pages xiii*a*§*b* of this Report.

Co.), and seconded by Mr. Thos. Wilson (of Messrs. Antrobus & Co.)—

"That this Chamber do adopt the Steam Tonnage Scale and Rules as recommended by the Special Committee, and that in the absence of special agreement, they be taken to regulate the steam trade from Bombay from and after this date."

Proposed as an amendment by Mr. H. Maxwell (Messrs. W. Nicol & Co.), and seconded by Mr. W. Lang (Messrs. Finlay, Scott, & Co.)—

"That Rule No. 2 be omitted from the Report of the Tonnage Scale Committee, and that the payment of Freight on weight shall remain as determined by the Chamber at the Meeting of 6th June 1856, viz. :—'That when Freight is payable on weight the same is to be on the net weight delivered.'"

After some discussion on the subject, the Chairman put the amendment to the Meeting, which was carried by 13 votes to 9.

The following amended Resolution was then put to the Meeting:—

"That this Chamber do adopt the Steamer Tonnage Scale* and Rules as recommended by the Special Committee with the exception of Rule 2, and that in the absence of special agreement they be taken to regulate the steam trade from Bombay from and after this date."—*Carried unanimously.*

JAMES TAYLOR, Secretary.

* For Steamer Tonnage Scale see page ix. of this Report.

APPENDIX Y.

MISCELLANEOUS.

I.—ADEN TRADE REPORT—1870-71.

No. 5392 of 1871.

BOMBAY CASTLE, *6th November* 1871.

To the SECRETARY to the BOMBAY CHAMBER of COMMERCE.

SIR,—I am directed to forward, for the information of the Bombay Chamber of Commerce, the accompanying copy of the Aden Administration Report for the official year 1870-71.—I have, &c.

W. W. WEDDERBURN,
Ag. Secy. to Govt., Pol. Dept.

ADEN, *8th June* 1871.

To the SECRETARY to GOVERNMENT, BOMBAY.

SIR,—I have the honour to submit, for the information of His Excellency the Governor in Council, the Administration Report of this Settlement, for the past official year 1870-71*.—I have, &c.

C. W. TREMENHERE, Major-General,
Political Resident, Aden.

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* * * *

HARBOUR DEPARTMENT.

77. Five hundred and eighty-nine square rigged vessels visited the Port during the year, of the aggregate burden of

* Only the portions relating to Trade and Shipping are printed here.—Sec. B, C, C.

6,911,187 tons, of which about 97,000 tons were vessels belonging to British and Foreign Governments. Since the 1st December 1870 vessels anchoring in the Outer Harbour are not obliged to take a Pilot, the charge for Pilotage is compulsory only on vessels entering the Inner Harbour. A considerable number of steamers have anchored and been coaled outside.

78. The Light-house on Marshag, and the light vessel at the entrance of the Inner Harbour, as well as the Signal Stations on Marshag, Shum Shum, and at the Station Flag Staff, are maintained by the Harbour Department.

79. There are 11 sets of moorings belonging to the Department. The moorings laid down by private Companies have not yet been purchased.

80. Since 1866 the average monthly number of Merchant Steamers visiting the Port has nearly doubled. The reduction now made in the Port charges will no doubt cause a more rapid increase, and the number of sailing vessels required to meet the extra demand for coal must also increase in proportion.

81. The balance to the credit of the Port Fund on the 1st April 1870 was Rs. 1,02,019. The receipts during the past year are estimated to have exceeded the expenditure by about Rs. 33,000.

* * * *

TRADE RETURNS.

82. Owing to the fact that half the official year had elapsed before the receipt of Government Resolution No. 4290 of the 16th September 1870, I have been unable to furnish the Trade Returns in the new forms prescribed therein. It was found that the nomenclature and classification therein laid down differ so materially from those previously in use, that an endeavour to follow them in this year's Returns would have caused confusion. The Returns for the current year will be made out in strict accordance with the wishes of Government.

83. The Returns now forwarded do not appear to show that, as stated in para. 3 of the Government Resolution above referred to, the Trade of Aden is undoubtedly declining.

The following statement will, I think, show that clearer

evidence than has hitherto been laid before Government is necessary before such a conclusion should be accepted.

	1868-69.	1869-70.	1870-71.
	Rs.	Rs.	Rs.
Total value of Imports by Sea and Land ..	1,49,25,955	1,07,35,526	1,25,15,514
Ditto Exports ditto..	83,44,377	69,05,667	79,39,114

Statement showing Value of five principal Articles of Import for the last three years :—

	1868-69.	1869-70.	1870-71.
	Rs.	Rs.	Rs.
Coffee	4,93,685	4,47,203	9,54,802
Cotton	43,135	96,930	1,79,326
Cotton Piece Goods ..	28,90,401	23,42,420	34,30,659
Grain	7,51,618	6,68,443	6,75,354
Ivory	5,17,770	3,41,056	4,30,551

Statement showing Value of five principal Articles of Export for the last three years :—

	1868-69.	1869-70.	1870-71.
	Rs.	Rs.	Rs.
Coffee	4,74,579	4,26,926	9,09,660
Cotton	1,43,015	1,39,332	1,10,088
Cotton Piece Goods ..	28,98,102	18,09,907	28,24,527
Grain	6,30,272	3,43,773	2,85,119
Ivory	4,00,820	3,67,422	4,60,273

It should be borne in mind that, owing to the Abyssinian War, the value of the Coal imported in 1868-69 amounted to Rs. 53,37,000 compared with Rs. 20,90,000 in the past

year, and that the unreliable nature of the Returns of 1868-69 has been acknowledged. The Returns now rendered have, it is hoped, been prepared with some care.

The Returns of the Trade with the interior are still far from satisfactory. As already noticed, a more competent establishment for its registration is much required.

It will be observed that coffee has been brought into Aden in unusual quantities during the past year; this has been chiefly owing to the disturbed state of Yemen, consequent upon the revolt of the Asseeree tribe, which has diverted much of the trade from Hodeida to Aden.

84. Captain Hancock in his letter, herewith forwarded, dated 28th April, suggests that as Government gains nothing from the Registration of Trade of the Port, the whole cost of the Customs Establishment ought to be borne by the Port Fund, and that the control of the Department should rest with the Harbour Master, who has better opportunities than any other local official of exercising the necessary supervision over it. I quite approve of this arrangement, but would request Government to postpone any such change until the financial result of the New Port Rules, which only came into operation in December 1870, can be ascertained. The change will throw a considerable additional charge upon the Port Funds, and it will be well to ascertain in the first place whether they will be able to meet it.

85. He also suggests that Government should purchase the landing Pier at the Malla. The term for which this is held by the present proprietor will expire in seven years from this time, or in 1878. If it should be considered advisable to purchase the property it had better be taken by the Port Fund, but as it is doubtful whether there will be for some time to come sufficient available assets at its disposal for such a purpose, I am of opinion that the matter should be postponed at present.

86. I am not disposed to support Captain Hancock's proposal that Government should interfere with private efforts for the supply of water to the community.

87. In Captain Prideaux's letter, dated 11th May, some interesting details are given regarding the trade in coffee and piece-goods during the past year, as also regarding the increased trade with the European Continental Ports consequent on the opening of the Suez Canal. He likewise explains the falling-off of the trade with the Persian Gulf.

88. In the beginning of his letter he refers to a proposition which has been made to Government, and which has been adverted to above, to free the inland trade from the transit dues levied upon goods passing through the territories of the several Arab Chiefs in the interior, which would confer an immense benefit upon trade, and is most desirable both for political and economical reasons.

89. The Naval and Marine Hospital is located in a hired building as a temporary measure, until the proposed and sanctioned Hospital shall be built. The two wards are low and gloomy, and the necessary offices are very deficient; there is no operating room. Scurvy has been rare, owing to the more stringent regulations issued by the Board of Trade.

* * * *

ADEN CUSTOM HOUSE, 10*th May* 1871.

To the FIRST ASSISTANT RESIDENT in charge Customs, Aden.

SIR,—I have the honour to forward, for the information of Government, the Trade Returns of this Port for the official year commencing from 1st April 1870 and ending 31st March 1871.

2. Statements forming this Report are lettered as under* :—

* * * *

3. The returns of imports by sea during the past official year, inclusive of Treasure, exhibit a total of Rs. 1,11,62,916 against Rs. 94,81,945 in the preceding year, being an increase of Rs. 16,80,971.

4. The following list shows the increase and decrease of articles during the year 1870-71 :—

Articles.	1869-70.	1870-71.	1870-71.	
			Increase.	Decrease.
	Rs.	Rs.	Rs.	Rs.
Apparel	23,497	29,894	6,397	...
Coal	20,91,449	20,97,152	5,703	...
Coffee	1,04 423	6,31,502	5,27,079	...
Cotton	96 930	1,79,326	82,396	...
Cotton Piece Goods	23,42,420	34,30,659	10,88,239	..

* Statements not given here.—Secy., B. C. C.

Articles.	1869-70.	1870-71.	1870-71.	
			Increase.	Decrease.
	Rs.	Rs.	Rs.	Rs.
Drugs	48,802	44,068	...	4,734
Dyes	28,572	60,055	31,483	...
Feathers	41,554	53,254	11,700	...
Fish Maws	1,857	5,235	3,378	...
Fruits	2,13,269	1,87,621	...	25,648
Grains	4,06,579	3,04,274	...	1,02,305
Gums and Resins	1,58,228	1,39,291	...	18,937
Hides and Skins	1,12,544	1,07 541	...	5,003
Ivory	3,41,056	4,30,551	89,495	...
Live Stock	2 24,518	1,85,638	...	38,880
Malt Liquor	23,014	12,057	...	10,957
Mats	7,805	6,618	...	1,187
Metals	84,867	1,06,749	21,882	...
Manufactured Metals.	30,152	31,719	1,567	...
Mother O'Pearl Shells	292	3,178	2,886	...
Oils	36,667	39 324	2,657	...
Oilman Stores	16,286	17,782	1,496	...
Paints and Colors	3,780	6,795	3,015	...
Pearls	1,56,700	1,08,400	...	48,300
Provisions	2,63,903	2,99,340	35,437	...
Seeds	95,418	30,104	...	65,314
Silk	34,594	59 385	24,791	...
Silk Piece Goods	84,517	1,38,795	54,278	...
Spices	1,17,597	78,839	...	38,758
Spirits	24,088	27,189	3,100	...
Sugar	61,671	1,50,408	88,737	...
Tea	11,857	8,647	...	3,210
Tobacco	2,29,038	3,67,048	1,38,010	...
Tortoise Shell	4,542	2,252	...	2 290
Wax	7,696	3,000	...	4,696
Wines	21,934	10,394	...	11,540
Woods	42,479	41,144	...	1,335
Sundries	1,56,227	1,66,111	9,884	...
Treasure	17,31,113	15,60,577	...	1,70,536

5. The causes of increase and decrease in imports are as follows:—

Increase.

Coffee.—Large importations were made to this place from Hodeida in consequence of the invasion of Asseerees on the latter place. Large quantities which were consigned from

Hodeida to Suez via Jeddah were not sent owing to little demand and low price, in consequence of the Franco-German War.

Cotton Piece Goods.—Large consignments were received from United Kingdom, America, Bombay and Persian Gulf, owing to heavy demands from Hodeida, Jeddah, and Ports on African Coast, and from the interior of Arabia.

Cotton.—Owing to the weak market in Bombay, large quantities having arrived from Porebunder and Veeravul for sale in this place at high market.

Dyes.—High prices at, and large demands from, the Ports of Arabian Gulf and Red Sea, and from Persian Gulf.

Feathers.—Large demands and high prices from United Kingdom and Egypt.

Ivory.—Owing to high prices and heavy demands, large quantities having arrived for shipment to Bombay.

Metals.—Great demands from interior of Arabia, African Coast, and Red Sea.

Provision.—Owing to high prices and large demands from the Ports of Arabian Gulf and Red Sea, large quantities were received.

Silk and Silk Piece Goods.—Large quantity having arrived from Bombay and exported to the Ports of Persian Gulf for sale.

Sugar.—Heavy demands from the interior of Arabia, Macculla, Hodeida and Mocha.

Tobacco.—Great demands from the Ports of Arabian Gulf and Red Sea.

Decrease.

Fruits.—Limited imports from Ports of Arabian Gulf, owing to the disturbed state of Muscat and adjacent places.

Grain.—Moderate supply by sea, owing to the good crop of jowaree and wheat in the interior of Arabia.

Gums and Resins.—Limited supply from Ports of African Coast, in consequence of less produce.

Live Stock.— Ditto ditto.

Pearls.—Owing to low prices in Bombay, limited supply having been received from the Ports of Arabian Gulf and Read Sea.

Spices.—Limited imports in consequence of no demands.

6. The principal places of commerce whence an increase in the articles of import is perceptible are as under :—

Stations.	1869-70.	1870-71.	Increase.
	Rs.	Rs.	Rs.
United Kingdom	25,17,012	29,50,565	4,33,553
African Coast.....	8,46,370	9,59,327	1,12,957
America	2,13,135	3,84,473	1,71,338
Arabian Gulf & Red Sea ...	23,19,234	26,59,279	3,40,045
France	25,090	86,605	61,515
Trieste.....	17,040	37,684	20,644
Calcutta	1,75,834	2,34,821	58,987
Ports in Malabar	58,339	82,974	24,635
Bombay	22,43,726	29,44,702	7,00,976
Ports in Kutch	96,150	1,63,853	67,703

The principal articles of import from the above places are as follows :—

United Kingdom.—Coals, cotton piece goods, malt liquor, metals, oilman stores, spirits, and sundries.

African Coast.—Coffee, feaths, gums and resins, hides and skins, ivory, livestock, provisions, and woods.

America.—Cotton piece goods, oils, tobacco, and sundries.

Arabian Gulf and Red Sea.—Coffee, cotton, cotton piece goods, drugs, dyes, fruits, grains, gums and resins, hides and skins, ivory, pearls, seeds, tobacco, and sundries.

France.—Metals, provisions, spirits and wines.

Trieste.—Metals, provisions, and sundries.

Calcutta.—Grain, silk, silk piece goods, and sugar.

Ports in Malabar.—Dyes, grain, spices, and woods.

Bombay.—Cotton, cotton piece goods, drugs, dyes, grains, metals, manufactured metals, oils, silk, silk piece goods, spices, sugar, tobacco, and sundries.

Ports in Kutch.—Cotton, cotton piece goods, tobacco, and woods.

7. The following are the principal places of commerce whence a decrease is perceptible in Imports :—

Stations.	1869-70.	1870-71.	Decrease.
	Rs.	Rs	Rs.
China	29,710	7,870	21,840
Mauritius	25,910	10 830	16.080
Singapore	3.08 291	2,29.084	79.207
Persian Gulf	3 69 536	1,83.485	1,86,051
Suez	2,31,228	2,17,106	14,1-2

The principal articles of import from the above places are as follows :—

China.—Apparel and silk piece goods.

Mauritius.—Sugar and spirits.

Singapore.—Cotton piece goods, drugs, dyes, gums and resins, spices, sugar, and silk piece goods.

Persian Gulf.—Fruits, grains, tobacco, and sundries.

Suez.—Drugs, provisions, spices, wines, and sundries.

8. The return of exports, inclusive of treasure, by sea, during the last year, shows a total Rs. 71,00,378 against Rs. 60,61,076 in the preceding year, being an increase of Rs. 10,39,302.

9. The following list shows the increase and decrease of articles exported by sea during the year 1870-71 :—

Articles.	1869-70.	1870-71.	1870-71.	
			Increase.	Decrease.
	Rs.	Rs.	Rs.	Rs.
Apparel	18,055	9.340	...	8,715
Coal	...	6.310	6.310	...
Coffee	4,26,926	9,09 660	4 82 734	...
Cotton	10,980	36 725	25 745	...
Cotton Piece Goods	17,27,192	24.42 732	7,15,540	..
Drugs	65 312	65,438	126	...
Dyes	1,26.719	1,12.096	...	14 623
Feathers	57.455	53.543	...	3,912
Fish Maws	7,790	7 414	...	376
Fruits	1,49,316	95,740	....	53,576

Articles.	1869-70.	1870-71.	1870-71.	
			Increase.	Decrease.
	Rs.	Rs.	Rs.	Rs.
Grains	2,88,159	2,73 793	...	14 3 6
Gums and Resins	3,10,546	1,60 193	...	1,50,353
Hides and Skins	1,14,421	2 07.383	92,962	...
Ivory	3,67,422	4,60,273	92,851	...
Live Stock	60	542	482	...
Malt Liquor	...	222	222	...
Mats	1,716	625	...	1,091
Metals	39,614	60,356	20.742	...
Manufactured Metal	3,899	11,510	7,611	...
Mother O'Pearl Shells	261	18,374	18,113	...
Oils	6,800	17,709	10,909	...
Oilman Stores	652	630	...	22
Paints and Colors	10	6,324	6.314	...
Pearls	44,775	50,100	5.325	...
Provisions	26,102	1,43,850	1,17.748	...
Seeds	16,960	19,641	2,681	...
Silk	12,165	28,580	16,415	...
Silk Piece Goods	72,000	57,400	...	14.600
Spices	86,167	55,478	...	30,689
Spirits	751	2,692	1.941	...
Sugar	31,527	1,01,135	69,608	...
Tea	20	102	82	...
Tobacco	1,20,329	1,38,827	18,498	...
Tortoise Shell	2,900	1,350	...	1.550
Wax	27.450	21,993	...	5,457
Wines	1,400	1,913	513	...
Woods	21,942	10.213	...	11,729
Sundries	63,018	90 659	27,641	...
Treasure	18,10,194	14,19,513	...	3,90,681

The causes of increase and decrease in exports are as under:—

Increase.

Coffee.—Large quantity having been exported to United Kingdom, America, France, Suez, and Bombay, owing to abundant supply having been received from Hodeida.

Cotton and Cotton Piece Goods.—Large demands from the Ports of African Coast, Arabian Gulf, and Red Sea, and from the interior of Arabia.

Hides and Skins.—Owing to heavy demands from America

and Suez, large quantities having arrived from the Ports of African Coast.

Ivory.—Large exportations to Bombay, owing to heavy demands.

Metals.—Large quantities having been exported to the ports of African Coast, Arabian Gulf, and Red Sea.

Mother O'Pearl Shells.—High prices at, and large demands from, Bombay.

Provisions.—Great demands from Ports of Arabian Gulf.

Silk.—Large exportations to the Ports of Arabian Gulf and Red Sea.

Sugar.—Great demands in the interior of Arabia and Ports in the Arabian Gulf and Red Sea.

Tobacco.—High prices at, and large demands from, the Ports of Arabian Gulf and Red Sea.

Decrease.

Dyes.—Moderate demands from the Ports of Arabian Gulf and Red Sea.

Fruits, Grains, Gums, and Resins.—There being limited imports, small quantities have been exported to places whence there was great demand.

Silk Piece Goods.—Moderate demands from the Ports in Red Sea and Arabian Gulf.

Spices.—Less exports in consequence of limited supply.

Woods or Timber.—Limited exports, owing to low prices prevailing in this place.

10.—The principal places of commerce in which an increase in Exports is perceptible are shown below :—

Stations.	1869-70.	1870-71	Increase.
	Rs.	Rs.	Rs.
United Kingdom	2,28,681	3,70,989	1,42 308
America	1,32,835	3,15,836	1,83,001
Arabian Gulf & Red Sea...	24,93,744	32,23,490	7,29,746
France	14,193	1,19 617	1,05,454
Italy	...	13,075	13,075
Suez	1,31,668	2,09,641	77,973
Madras	...	5,100	5,100
Bombay	18,64,642	19,32,257	67,615

The chief articles of export to the above places are shown below :—

United Kingdom.—Coffee, feathers, and gums and resins.

America.—Coffee, drugs, gums and resins, and hides and skins.

Arabian Gulf and Red Sea.—Apparel, coffee, cotton, cotton piece goods, drugs, dyes, fruits, grains, gums and resins, metals, oils, provisions, seeds, silk, silk piece goods, spices, sugar, tobacco, and sundries.

France.—Coffee and drugs.

Italy.—Coffee, gums, and wax.

Suez.—Coffee, feathers, gums and resins, hides and skins, tobacco and wax.

Bombay.—Coffee, drugs, dyes, feathers, fishmaws, fruits, gums and resins, ivory, mother o' pearl shells, pearls, spices, and sundries.

The following table shows the places from which a decrease in exports is visible :—

Stations.	1869-70.	1870-71.	Decrease.
	Rs.	Rs.	Rs.
African Coast	8 21.758	6,92,821	1,28 927
Mauritius	1,09 280	35.130	74,150
Singapore	51 664	50,375	1 286
Persian Gulf	1,12.613	44,030	61.583
Calcutta	10.900	7,700	3,200
Ports in Kutch	75,808	69,592	6,216

The chief articles of export to the above places are as follows :—

African Coast.—Cotton piece goods, dyes, fruits, grains, metals, tobacco, and sundries.

Mauritius.—Provisions and tobacco.

Singapore.—Provisions and wax.

Persian Gulf.—Dyes, grains, and woods.

Ports in Kutch.—Drugs, dyes, grains, provisions, seeds, and sundries.

12. Statement C shows the number and tonnage of square-rigged vessels and country craft which visited the port during the year 1870-71.

13. Statement D shows a decrease of Rs. 5,855 in the value of goods passed into Arabia during the past year.

The principal articles exported by land are as follows :—

Cotton, cotton piece goods, dates, grains, metals, silk, spices, sugar, and tobacco.

14. Statement E shows the estimated value of goods arrived from the interior by the daily kaffilahs. This exhibits an increase in value of Rs. 92,017 as contrasted with the previous year.

The increase is principally in bees' wax, dhall, fruits, ghee, honey, jowaree, jowlee, vegetables, wheat, wurrus, and seeds.

15. Statement F shows an increase of 1,62,963 tons in the burthen of square-rigged vessels and steamers arrived in this port in the year 1870-71. The increase in tonnage is owing to the steamers arriving through the Suez Canal, and touching at this Port for coals, water, and provisions.

16. The Statement G shows an increase of 814 tons on arrivals and 343 tons on departures of country craft during the year 1870-71.

17. The following is a summary of the total value of the trade of Aden, during the year 1870-71 :—

Imports by sea ...	Rs.	1,11,62,916	
Do. by land ...	,,	13,52,598	
			1,25,15,518
Exports by sea ...	,,	71,00,378	
Do. by land ...	,,	8,38,736	
			79,93,114
		Total...	2,04,54,628

18. The above shows an increase of Rs. 28,13,435 over that of 1869-70 on the total value of the trade of Aden.

19. The causes of increase and decrease in imports and exports by sea have been already mentioned in detail in the body of this Report.

20. Referring to the recommendation by the Commissioner of Customs, Bombay, in the 5th para. of his letter No. 2662, dated 9th August 1870, to compile in future the Trade Reports after the model of the Bombay Trade Reports, which are drawn up in the form prescribed by the Government of India—this report has been prepared in the usual

form, as the instructions to prepare the new Returns from the Commissioner of Customs, Bombay, were received in the month of October 1870, through Captain Hancock, six months after the commencement of the official year. Captain Hancock has been consulted as to the preparation of these Returns. He gave his consent to prepare in the usual form. Mr. Pestonjee Rustomjee Toorkey, Head Clerk of Customs, who had been on leave for six months in Bombay, had been introduced to the Commissioner of Customs, Bombay, by a letter from Captain G. Hancock, to teach him all the new system of preparing Returns. He attended in the Commissioner's Office during his absence in Bombay, and became acquainted with all the new system, and brought with him forms of new returns which were shown to Captain Hancock. To carry out the new system of preparing the Trade Returns which have been commenced from this year, some establishment is needed, for which your attention will be directed in a separate letter.

The establishment of Customs has worked to my entire satisfaction.—I have, &c.,

SORABJEE PESTONJEE,
Registrar of Trade, Aden.

II.—Muskat Trade Report, 1871-72.

Report on the Trade of Muskat by Major Ross, Political Agent and Consul.

[Extract from Administration Report of Muscat Agency for 1871-72.]

TRADE.

Traders.—A great portion of the trade of Muskat is in the hands of Hindu and Khojah merchants, mostly natives of Kutch and Sind. Agents and branch houses are established at the ports of Sohar, Shinas Khaboorch, Masnah, Suweyk, and Burka on the Batinah coast, and at Soor in the south.

Muskat being the central depot, a large proportion of both exports and imports of all Oman passes through it.

Shipping.—There are sixteen square-rigged ships and

about forty buglas belonging to Muskat, by far the greater portion of the sea-borne trade being carried in vessels hailing from India and the Gulf.

Nature of Trade.—Muskat owes much of the value of its trade to its being conveniently situated for a port of call and transhipment midway between India and the Persian Gulf. Rice, for instance, is landed in large cargoes, and finds its way in smaller craft to the Persian and Arab coasts.

Similarly, small native vessels bring dates from all quarters, some of which are shipped for America and other places in square-rigged ships.

Exports—Dates.—Of the staple productions of Ooman itself, the date is by far the most considerable, grown mostly in the vicinity of hills affording perennial springs. Entire failures of the harvest are unknown, though fluctuations do occur. America now takes several ships' load annually of the kind called *Fard.* It is there used as an article of luxury.

Cotton.—A small quantity of cotton is grown in Oman, but what appears as an export is from Mekran and Persian, the indigenous cotton being mostly consumed in manufacture. A peculiar cotton of a buffish color is grown, and the cloth made from it much worn by the natives of Muskat. It is called *khadhrehj,* from the Persian *khud-reng,* self-colored.

Other growths.—The other indigenous productions are inconsiderable, and consist of sugar and various kinds of fruits, notably the lime.

Manufactured Articles.—Of the manufactures, only the cotton fabrics are worth notice. The greater portion of these are worked on the Batinah coast. The raw cotton is from Persia and Mekran.

Pearls.—A large quantity of pearls of the Gulf are first brought to Muskat and thence exported to India.

Salt.—Rock-salt is brought from the Persian coast, and from Kishm and Ormuz, and afterwards shipped to Calcutta in square-rigged ships.

Imports—Rice.—In the list of imports, rice takes the prinpal place. It is now brought mainly from Bengal; but it is worthy of mark that in former times Muskat took Malabar rice to the average value of 400,000 dols., whilst now scarcely any is taken from that side. During the last year

255,000 bags of rice have been landed to the value of 1,020,000 dlrs.

Coffee.—It is also remarkable that the coffee of India has superseded that of Yemen almost entirely.

The annexed tables* show approximately the average yearly value of the trade. The system of Custom house arrangement, of course, precludes the possibility of obtaining precise and accurate returns. An estimate for the last year has also been attempted—*vide* tables.†

* A, B, C.
† D, E, F.

CUSTOMS TARIFF.

Pearls are not taxed. On goods imported by sea (with certain exceptions), five per cent. *ad valorem.*

On dates from interior, according to quality, Rs. 1-8 to Rs. 2-8 per load; limes and sugar-canes and dry fruit, four pie per man, weighing 8¾ lbs., or 144 dollars.

Batineh Fabrics, six to twelve pie on each bale.

Fresh fruit, four per cent. *ad valorem,* wharfage and weighing.

Six pie per package dyeing silk, $18 per 10 man.

The lease of the Custom house has now been sold at $115,000 per annum, probably at least 50,000 less than the gross receipts.

EXCHANGE.

During the past year the exchange has averaged from Rs. 209 to Rs. 213 per 100 dollars.

E. C. ROSS, Major,
Political Agent and Consul.

A.

Table showing average Tonnage of Vessels entering and leaving the Port of Muscat during twelve months.

Class A—European and American.
" B—Native Craft.

Class.	Where trading or description.	Average numbers.	Average tonnage each Vessel.	Total average tonnage.
A. European & American.	Coal Vessels	4	750	3,000
	America	3	700	2,100
	Calcutta	17	1,000	17,000
	Mauritius	1	450	450
	Singapore	1	450	450
	Mail Steamers	24	1,000	24,000
	Other Steamers	12	1,000	12,000
	Total ...	62	5,350	59,000
B. Native Craft.	India	200	150	30,000
	Persian Gulf	150	100	15,000
	Zanzibar	25	150	3,750
	Yemen	40	100	4,000
	Total ...	415	500	52,750
A & B	Grand Total...	477	5,850	111,750

B.

EXPORTS.

Average Annual Quantity and Value.

Articles.	Quantity.	Value.	To	Remarks.
		Dollars.		
Dates, pressed	15,000 bags	450,000	India & America..	
" dry	100,000 "	500,000	India.	
Fish-roe	20,000 (in No.)	3,000	"	
Cotton	700 Kandies	45,000	"	Chiefly Mekran growth.
Shark fins	300 cwts.	4,000	"	
Red ochre	500 tons	1,000	"	From Persia.
Salt	8,000 "	15,000	"	From Persian Gulf and Mekran.
Fish	100,000 (in No.)	15,000	"	
Dried limes	1,000 bags	7,000	"	
Other fruits	.....	10,000	"	
Mother-of-Pearl	.....	40,000	"	From Persian Gulf
Pearls	.....	150,000	"	Ditto.
Sugar	500 bags	10,000	"	
Heuna	500 "	15,000	"	
Cotton fabrics of Batineh	.....	100,000	Various	
Date-juice	200 jars	1,000	"	
	Total value	1,366,000		

C.

IMPORTS.

Average of former years.

From	Articles.	Quantity.	Value in dollars.
From India	Rice	165,000 bags	660,000
	Sugar	25,500 ,,	35,000
	Silk goods	55,000 bales	14,000
	Goracco	1,0 casks	600
	Musk	8 boxes	500
	Aloes wood	10 ,,	4,000
	Cotton stuffs	650 bales	130,000
	Cotton cloth, blue	150 ,,	15,000
	Thread	500 ,,	50,000
	Broadcloth	12 ,,	5,000
	Copper	100 pieces	800
	Damaged cotton	250 bales	1,000
	Wax candles	50 boxes	250
	Surrungee	50 bales	1,500
	Indigo	15 ,,	4,000
	Puiwas	200 ,,	400
	Sweet oil	700 casks	35,000
	Coffee	400 bags	7,000
	Pepper	200 ,,	8,000
	Gunny	750 bales	3,000
	Turmeric	400 ,,	1,400
	Spice	20 ,,	2,000
	Sugar-candy	200 boxes	1,200
	Rope	100 candies	2,000
	Iron-ware	.....	10,000
	Frankincense	50 boxes	1,000
	Tin and lead	400 pieces	5,000
	Cinnamon	100 boxes	1,500
	Saffron	10 ,,	5,000
	Gold thread	.....	10,000
	Wood	.....	2,000
	Turkey red	30 bales	5,000
	Simsim oil	500 dubbers	8,000
	Alum	500 parcels	5,000
	Red rice and wheat	500 candies	15,000
		Total ...	1,044,150
From Persian Gulf, Busreh, and Mekran.	Dates, pressed	50,000 bags	100,000
	Dates, dry	.....	35,500
	Silks	.....	20,000
	Zebeeb	.....	10,000
	Raisins	25 boxes	200
	Saltpetre	.....	1,500
	Saffron	10 boxes	3,000
	Jowarree seed	300 candies	4,500
	Jeera	500 bales	9,000
	Opium	50 chests	8,000
	Cotton	800 candies	50,000
	Walnuts	75 bales	400
	Pistachio nuts	10 ,,	150
	Almonds	600 ,,	5,500
	Vetches	100 candies	3,000
	Barley	200 ,,	2,800
	Wheat	2,000 ,,	44,000
	Moony	300 ,,	6,000
	Rice	100 ,,	2,000

From	Articles.	Quality.	Value in dollars.
From Persian Gulf, Busreh, and Mekran—*Continued.*	Madder	250 bales	1,000
	Assafœtida	200 ,,	700
	Myrtle leaves	200 ,,	400
	Millet seed	25 bags	500
	Carpet rugs	25 bales	3,000
	Mat bags..	200,000 (in No.)	14,000
	Wars	200 bales	12,000
	Salt	8,000 tons	15,000
	Red ochre (Mogur)	500	1,000
	Pearls	.....	150.000
	Mother o' pearl...	.....	40,000
	Sulphur	50 parcels	450
		Total ...	543,600
South Arabia and Africa.	Coffee	15 parcels	400
	Gum	25 ,,	200
	Frankincense	200 ,,	550
	Cloves	20,000 bales	13,000
	Chintz	50 ,,	10,000
	Cowrees	500 ,,	1,500
	Cocoanuts	200,000 (in No)	3,000
	Wood	2,000 bundles	10,000
	Jowarree...	.....	2,000
	Otto of roses	.....	10,000
	Matchlocks	10 cases	1,000
		Total...	51,650
Mauritius and Batavia.	Sugar	2,500 bags	25,000
		Total...	25,000
Singapore... ...	Frankincense	50 boxes	1.500
	Cannons..	100	3,000
		Total...	4,500

Total of Imports.

From India	$1,04,150
Persian Gulf and Mekran	5,43,600
South Coast and Africa	51,650
Mauritius and Batavia	25,000
Singapore	4,500
Grand Total	$16,68,900

D.

Contrasted Statement showing the numbers of Vessels entering and leaving the Port of Muskat. Estimae for 1871-72.

A—European and American.
B—Native Craft.

Class.	For the official year.		Increase in 1871-72.	Decrease in 1871-72.
	Former years.	1871-72.		
	Numbers.	Numbers.	Numbers.	Numbers.
A.				
Coal Vessels	4	3	.....	1
America	3	4	1	.....
Calcutta	17	18	1	.....
Mauritius	1	1	.....	.....
Singapore	1	1	.....	.....
Mail Steamers	24	26	2	.....
Other „	12	5	.....	7
Total...	62	58	4	8
B.				
India	200	300	100	.....
Persian Gulf	150	100	.....	50
Zanzibar	25	25	.....	.....
Yemen	40	60	20	.....
Malabar Coast	.....	5	5	.....
Mekran	... ..	50	50	.....
Total...	415	540	175	50
A. & B. Grand Total...	477	598	179	58

E. C. ROSS, Major,
H. B. M.'s Political Agent and Consul, Muskat.

III.—Cultivation of Opium in the Szechnen, China.

No. 3383 of 1872.

Bombay Castle, 13*th July* 1872.

To the Secretary, Chamber of Commerce, Bombay.

Sir,—I am directed to forward for the information of

the Chamber of Commerce the accompanying copy of a report by the British Consul, Hankow, on the cultivation of opium in Szechuen for the year 1871.—I have, &c.,

F. R. S. WYLLIE,
Actg. Under-Secretary to Govt., Rev. Dept.

BRITISH CONSULATE, HANKOW, 23*rd March* 1872.

To R. B. CHAPMAN, Esq., Secretary to the Government of India, Financial Department, Calcutta.

SIR,—I have now the honour to report to you on the cultivation of opium in Szechnen for 1871.

The amount of native opium which has been imported into this port, from October 1871 to February 1872, has been so large that it has had a considerable effect on the importation of the foreign drug, and an early and special notice on a subject of such importance to the Government of India may not be deemed altogether useless or inopportune. The information has been obtained in the city of Hankow from native sources, and may be regarded in the main as trustworthy, but the full and accurate knowledge which is so emphatically necessary for a subject of such importance can only be procured by personal observations on the spot, and no means of acquiring this are at present in any one's hands. The deputation of some competent person to make observations on the spot is becoming more and more necessary every year, and such a course of action cannot be too strongly recommended to the attention of the Indian Government. A member of the Consular service would be treated with most respect by the Mandarins, and would in any case be necessary to obtain sufficient recognition of any expedition from the provincial authorities.

In the report addressed from here to the Government of India in July an opinion was expressed that an excellent crop of Szechnen opium was anticipated by the Chinese merchants here owing to the dry weather prevailing and the lowness of the waters of the Yang-tsze. These anticipations have turned out to be correct, and so large has been the importation that the sale of the foreign article has been sensibly affected, a decrease of 70,200 lbs. in Malwa and 1,014 lbs. in Patna being noticeable. The Szechnen crop usually

arrives here about September or October, and that this decrease is owing almost entirely to the excellent and abundant nature of the new yield will be evident from the accompanying table:—

		Malwa.	
Imported to 31st May	1870.....	Pels.	1,209
„ „ „ „	1871.....	„	1,255
„ 31st August	1870.....	„	2,212
„ „ „ „	1871.....	„	2,308
„ 31st October	1870.....	„	2,932
„ „ „ „	1871.....	„	2,649
„ 31st December	1870.....	„	3,536
„ „ „ „	1871.....	„	3,010

By the above table it will be observed that up to 31st Aug. the importation of Indian opium had actually increased, but by October when new crop had arrived the import decreased, and has continued to do so in an increasing ratio up to the end of the year. As far as can be gathered from reports of men from the province of Szechnen, the cultivation of the poppy which has been on the increase to a certain extent for several years past has this year acquired an additional and unusual impulse, and it has been estimated by a foreign firm here, which has large dealings in opium, that the amount brought in for sale to Chung-ching, the great distributing centre for opium as well as for other goods in the province of Szechnen and (situated on the Yang-tsze, 800 miles from here), has amounted this year (1871) to 14,000 pèculs against 9 to 8 thousand for 1870. Considerable quantities have, too, been sent down to Shanghai, and although there is a decrease under this head visible in the foreign Customs returns, yet it is notorious that large quantities are smuggled down the river to that part where the native drug is now being increasingly consumed. The increased importation for 1871 is an undoubted, undeniable, and disagreeable fact, and is due more in all probability to the increased production rather than to any additional facilities offered this year for the sale of it. It is extremely difficult to obtain from men who are but sellers of small quantities and have but a limited local knowledge any information as to the extent or the increase of the cultivation in the whole province, but several circumstances would lead one to suppose that the production is increasing. In the first place no obstacle beyond a heavy

land tax is placed by the Mandarins to hinder the cultivation of the poppy. An attempt was made indeed by the Viceroy of Szechnen some two or three years back by means of the issue of prohibitory proclamations to put a complete stop to the growth of the poppy weed, but the impracticable nature of such measures soon became evident, disturbances ensued, the people refused to allow themselves to be deprived of a means of adding to their prosperity, and the Mandarins, who in China have ever the fear of the people before their eyes, retired with as good a grace as they could from the position they had assumed. As, moreover, they themselves are the chief if not the only smokers of the Indian drug in Szechnen, any measures issuing from them to hinder the people enjoying a similar enjoyment come with singularly bad grace. In the next place the cultivation of the poppy does not prevent the growth of other more useful crops. It is usual for the farmers to plant their fields with poppy in the early parts of the year, and the crop becomes ripe in April or May. Grains of various kinds are then grown on the same ground, so that cereals are by no means entirely neglected for the poppy, and the cultivator reaps the double advantage of conforming to the planting morality of traditional agriculture and likewise of making considerable additional profits. It is perfectly plain then that, these being the facts of the case, no decrease of cultivation is likely to take place, and whilst the area of consumption is by the gradual awakening of China from the extension of steam navigation increasing every year, the area of supply, now practically unlimited, is certain to rapidly increase. Not only however was the importation at end of last year remarkable for its abundance, but its quality has also very considerably improved. The poppy is grown both in the plains and amongst the hills, the latter being considered to be the more valuable. When the weather is too wet the low lands are inundated and the crop suffers, when the weather is very dry the high lands are parched; but last year there was enough rain to satisfy the mountain crops and not too much to drench those on the plains, and hence each variety of the plant was enabled to arrive at its highest perfection. In ordinary years about 50 yer cent. of pure drug is obtainable by the boiling process, but this year from 60 to 65 per cent. has been procured. The first arrivals of the new crops reaching here in October are too commonly superior to importations occurring later on in the

year, but the quality has been maintained in its original excellence down to January of this year, and this must also be taken into consideration in estimating the amount brought down. Little variety has taken place in the price from October to December 1871: it was Rs. 15 per 100 oz., whilst at present, owing to a cessation of the importation, it is Rs. 18 per 100 oz. This lasting improvement in the quality of the drug is a noteworthy feature of last year's import and almost quite unprecedented. Commonly the first arrival of the new crop produces a temporary decline in the import of Indian opium, but the effect has lasted this year for an unusually protracted period, and at first sight it is impossible not to view with some apprehension this marked improvement in the quality of the drug. This has however been produced by remarkably favourable climatic conditions and is not likely to be permanent. As has been remarked in a former report, the import of Indian opium, though not as things are at present situated capable of much extension, is not very likely to continue to diminish very extensively. No considerations of an inconsiderable temporary excellence will ever induce the risk to purchase so inferior an article as the native drug. The number of these men however approaches very nearly to being a constant quantity, whilst the number of consumers of the poorer classes is always liable to a possibility of unknown extension. It may however be doubted whether the poorer classes of Chinese who are now the sole consumers of the native drug ever indulged at all in so expensive a luxury as Indian opium. The foreign article was introduced here at close of the reign of the Tao-hwang Emperor (1847), and after at first being regarded with curiosity was indulged in by the wealthiest men as a luxury, and but small importations took place. Towards the middle of the reign of Hsien-feng Emperor (1855) cultivation of opium began to be extended into Szechnen and some was imported here at Rs. 30 per 100 oz., when its comparative cheapness made it popular with the poor, and the cultivation was increased to satisfy a demand which the more expensive article was unable to do. In 1861 Hankow was opened to foreign trade and foreign steamers, large imports of Indian opium took place, and Szechnen opium was forced to fall in price from Rs. 20 to Rs. 18 per 100 oz. The foreign and native variety of the drug have hitherto each supplied a different

class of consumers, but the large increase in importation of Szechnen opium is commencing to lead to considerable adulterations of the superior article, and though on the one hand the dearer drug may be thus in small quantities placed within reach of a large population, yet on the other hand, the difficulty of obtaining pure Indian opium may be increased and the net total result in a smaller amount. About 2,000 peculs (266,000 lbs) are estimated as having been consumed in Hankow during 1871 of Szechnen opium, and in addition large quantities were shipped and smuggled from here to Shanghai, Hing-po, and the provinces on the river. The principal centres of opium traffic in Szechnen are Chung-ching-fu and the capital Chew-tu-fu, the former being in every way the most important. A place called Wang-chin-Ying, on borders of Hussei and Szechnen, is likewise a large depot, as from here various routes taken by opium brokers diverge, one leading to Honan, another to Hunan, a third to this province, and a fourth into the N. W. Provinces. But little foreign opium reaches Szechnen, the small quantities that do arrive being used almost exclusively by the provincial officials and a few very rich people in the large towns. This opium ought to pay taels 106 for transit dues before reaching Chung-ching-fu, which would make the price there over Tls. 600 per chest. It ranges there however from 550 to 555 per chest, which shows that the greater part must reach its destination without paying the usual dues: this is stated to be the fact, the drug being taken overland and taxes amounting altogether to about Tls. 50 being paid at port of export and import. In the country villages, native opium is exclusively and very largely consumed, and adulteration of it with the Indian drug is stated to be taking place. What has occurred at Hussei with Indian drug may be expected to happen in a less marked manner in Szechnen if a port be opened up there for the residence of foreigners. The wealthy consumers will thereby be brought into more direct communication with foreign importers, who in their turn will be able to import, at a cheaper rate than at present prevails, larger quantities of the Indian drug. This will not check the growth, though it may hinder for a time the further exclusion of the native poppy, but it will attack the enemy in the heart of his stronghold and settle at once many anxieties now prevalent. In the event of this not coming to pass there can be no doubt but that the extension of

opium cultivation in Szechnen will rapidly increase. The best opium in Szechnen is grown in Reic-how-feng-too, and Hwei-chow-Hsiño-ho, all of which places are in the vicinity of each other. In another district producing a very fair article are Chao-tung-hei Chung-Kai Hsien.

But little opium from Gunnan reaches this province, but with regard to the cultivation of it in that province it will be of service to remark that a Mr. Dupins, a French gentleman lately returned from that province, has stated that the whole of the parts he traversed were more or less devoted to its cultivation.

I have the honour likewise to send you by a steamer of the Peninsular and Oriental Company a sample of Szechnen opium of good quality seized by the Customs here. The weight is Tls. 15, and the cost, which I have paid, $2-70.—I have, &c. G. W. CAINE, Consul.

No. 670.

A copy of the report to the Government of Bombay and to the Agent Governor-General Central India.

By Order,

D. BARBOUR,

Offg. Under Secy. to the Govt. of India.

Financial Department, Simla, the 29th June 1872.

(True Copies.)

F. R. S. WYLLIE, Actg. Under Secy. to Govt.

No. IV.—THE ASSASSINATION OF LORD MAYO.

No. 35 of 1872.

BOMBAY CHAMBER OF COMMERCE, *15th Feb.* 1872.

To His Excellency the Right Honourable Sir SEYMOUR FITZGERALD, G.C.S.I., Governor of Bombay, Parell.

SIR,—On behalf of the Chamber of Commerce of Bombay, I am desirous of expressing to your Excellency and the Government of India the deep sorrow with which the

mercantile community of this place have heard of the assassination of the Viceroy, and the unfeigned sympathy which is felt for Lady Mayo. It would be out of place here to attempt to eulogize the late Viceroy; the amiability of his personal character, and his earnest devotion to the duties of his high office have commanded the respect and esteem of all.—I have, &c., W. G. HALL, Chairman.

PRIVATE SECRETARY'S OFFICE,
PAREL, BOMBAY, *2nd March* 1872.

To W. G. HALL, Esq., Chairman, Chamber of Commerce, Bombay.

SIR,—I am desired by His Excellency the Governor to acknowledge the receipt of the letter of condolence which you have addressed to him on behalf of the Chamber of Commerce, on the melancholy occasion of the assassination of the late Viceroy. His Excellency will gladly convey to the Government of India and to Lady Mayo the deep sorrow which is felt by the mercantile community of this city, and he feels sure that the sympathy which you so feelingly express will be received with heartfelt gratitude, and that the knowledge that the earnest devotion and untiring energy with which Lord Mayo discharged the duties of his high office have been so truly appreciated, will hereafter be a source of the deepest gratification.

At present the one feeling among all must be the deepest grief for his loss and regret that he should have been cut off when his life was so valuable to India.—I have, &c.,

GERALD SEYMOUR FITZGERALD,
Private Secy. to His Excellency the Govr. of Bombay.

NO. V.—BROOKE ORPHAN FUND.

BOMBAY CHAMBER of COMMERCE, 30*th April* 1872.

To the MEMBERS of the CHAMBER of COMMERCE, Bombay.

GENTLEMEN,—It has been brought to the notice of the Committee of Management by several members of the Chamber to whom the late Mr. H. Brooke, Secretary to the

Chamber, for several years was well known, and whose letter is herewith annexed, that Mr. Brooke's widow died suddenly a short time since, leaving six orphan children entirely unprovided for.

Mr. Brooke himself died of fever in 1866, without having been able to make any provision for the maintenance of his widow and children, but on his death, a pension which Mrs. Brooke had previously been in receipt of as the widow of a Madras officer again reverted to her, which pension was nearly all she had for the support of herself and her children, and, unfortunately, the pension ceased when she died.

Though changes have been rapid and numerous in the mercantile community of Bombay within the last eight or nine years, there are still amongst us some who were personally acquainted with Mr. Brooke, and knew well with how much ability and zeal he served the Chamber as its [redacted] Secretary from July 1859 to September 1864.

The Committee believe that in the circumstances stated the members of the Chamber will gladly do what they can to raise a fund to provide for the education and maintenance of Mr. Brooke's orphan children.

Members wishing to subscribe for the carrying out of this praiseworthy purpose are requested to be so good as to write their names and the amount of their subscriptions in the annexed list, and to pay the amount of the same into the Bank of Bombay to the credit of the Chamber in account with the Bank.—I am, Gentlemen, &c.

JAMES TAYLOR, Secretary.

BOMBAY, *24th April* 1872.

JAMES TAYLOR, Esq., Secretary, Chamber of Commerce.

SIR,—The children of the late Mr. Henry Brooke, who was for many years Secretary of the Chamber, have been left in very unfortunate circumstances, and several members of the Chamber who knew and respected Mr. Brooke are desirous of raising a fund to assist in their education and maintenance. We therefore beg to bring the matter before the Chamber with the view of a subscription being raised amongst the members, and hope that those who were acquainted with Mr. Brooke will do their

utmost to place his children beyond want, and that the members of the Chamber who have joined since his decease will also materially aid such a good cause.—We are, &c.

W. NICOL & Co.
RITCHIE, STEUART, & Co.
FINLAY, SCOTT, & Co.
FRAMJEE, SANDS, & Co.
STEARNS, HOBART, & Co.
CAMPBELL, MITCHELL, & Co.

List of Subscriptions to a Fund proposed to be raised for the Education and Maintenance of the Orphan Children of the late Mr. Henry Brooke who was Secretary to the Chamber of Commerce for five years, April 30th, 1872.

Names.	Amount.	Date of Payment.
W. Nicol & Co	Rs. 500	2nd May 1872.
Ritchie, Steuart & Co	„ 500	3rd May 1872.
W. & A. Graham & Co	„ 250	1st August 1872
Framjee, Sands & Co	„ 250	7th May 1872
J. Sands, Jr., Pr. S. F	„ 100	7th May 1872
Finlay, Scott & Co	„ 150	7th May 1872
Ewart, Latham & Co	„ 250	7th May 1872
Ralli Brothers	„ 300	7th May 1872
Finlay, Muir & Co	„ 250	8th May 1872
Wallace & Co	„ 250	9th May 1872
Lyon & Co	„ 250	9th May 1872
Peel, Cassels & Co	„ 250	9th May 1872
David Sassoon & Co	„ 250	9th May 1872
H. Clason & Co	„ 100	9th May 1872
Gaddum & Co	„ 250	10th May 1872
Knoop & Co	„ 150	10th May 1872
The P. & O. Co	„ 100	10th May 1872
Stearns, Hobart & Co	„ 100	10th May 1872
Volkart Brothers	„ 100	15th May 1872
Rennie, Scovell & Co	„ 100	15th May 1872
Campbell, Mitchell & Co	„ 100	15th May 1872
King & Co	„ 100	15th May 1872
Lawrence & Co	„ 100	16th May 1872
Killick, Nixon & Co	„ 100	16th May 1872
Jules Seigfried & Co	„ 100	17th May 1872
Forbes & Co	„ 250	17th May 1872
Chartered Bank of I., A., and China	„ 250	21st May 1872
Kunkler, Preiswerck & Co	„ 100	21st May 1872
George Lockhart & Co	„ 100	21st May 1872
Bell Brandenburg	„ 100	22nd May 1872
Comptoir d'Escompte DeParis	„ 250	23rd May 1872
A. Blaschcck & Co	„ 100	23rd May 1872
National Bank of India	„ 100	23rd May 1872
Total	Rs. 6,200	

The amount above noted was placed in deposit with the Chartered Mercantile Bank, from which a monthly payment is to be made to Mr. H. G. Lawson for the benefit of the children, in conformity with the conditions stated in the subjoined letter, while the fund lasts :—

No, 222 of 1872.

BOMBAY CHAMBER OF COMMERCE, *29th July* 1872.

H. G. LAWSON, Esq., Bombay.

SIR,—I duly received your letter of the 23rd inst. which was submitted for the consideration of the Committee of Management of the Chamber.

In reply I am desired to inform you that they agree to your proposal that a payment of Rs. 100 per mensem should be made to you on behalf of the five children of the late Mr. Brooke so long as they are kept and educated by you, and while there are subscribed funds in hand to enable them to comply with the same.

In reference to your suggestion that you should be enabled to give any child placed for life its share of the fund, the Committee, I am desired to state, cannot now express any opinion ;—any special suggestion with regard to any one of the children the Committee will take into their consideration when made. At present they are unable to commit themselves to any special promise on this point.—I am, &c.,

JAMES TAYLOR, Secretary.

FUNDS OF THE BOMBAY CHAMBER OF COMMERCE FOR 1871-72.

Disbursements.	Amount.			Receipts.	Amount.		
	Rs.	a.	p.		Rs.	a.	p.
Rent	1,715	0	0	Balance at the credit of the Chamber as shown in last year's account at the New Bank of Bombay	10,363	0	4
Printing	2,862	7	6	Subscriptions and Publications	20,113	8	0
Advertisements	391	6	3	Realized by sales of Daily and Weekly Trade Returns and Manifests	1,651	0	0
Newspapers and Books	286	0	8	Do. Miscellaneous Receipts for Stamping Callipers, &c.	55	5	0
Furniture	218	6	0				
Postage and Receipt Stamps	154	8	8				
Office Salaries and Petty Charges, &c.	7,756	15	9				
Stationery	269	14	0				
Daily and Weekly Trade Returns and Manifests :—							
Salaries ..... Rs. 5,172 0 0							
Printing ..... ,, 6,130 12 0							
	11,302	0	0				
Balance	7,226	2	6				
Total..... Rs.	32,182	13	4	Total..... Rs.	32,182	13	4

Balance in hand at the New Bank of Bombay, 6th September 1872..... Rs. 7,226 2 6

MEASUREMENT FEE ACCOUNT, FROM MAY 18, 1870, TO AUGUST 31, 1872.

Disbursements of Salaries, Printing, Advertising, &c.	Rs.	32,159	8	6	Receipts from Fees	Rs.	51,194	5	7
Balance to Credit of the Account	,,	19,034	13	1					
Total.....	Rs.	51,194	5	7	Total.....	Rs.	51,194	5	

NOTE.—Of the above balance Rs. 8,000 were placed on fixed deposit for one year, at 5 per cent., with the Chartered Mercantile Bank on Oct. 11, 1871. The remaining funds, Rs. 11,034-13-1, in current deposit with the New Bank of Bombay, Limited.

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